Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper R London, Tuesday, September 16, 1997 No. 35,627

TODAY: STYLE Hong Kong Shopping Page 12

Southeast Asia: Domino Effect?

Analysts Fear Unrest in Wake Of Thai Financial Collapse

By Michael Richardson
International Herald Tribune

SINGAPORE — As its economy slows sharply, Thailand risks large-scale job losses, rising unemployment, labor protests and social unrest in a chain reaction that could spread to other parts of Southeast Asia, analysts say.

While Thailand has clearly been the country most seriously affected by the economic and financial problems afflicting the region, economists and investors are also concerned that the slowdown in Indonesia and the Philippines could significantly increase unemployment there as well.

Both have large populations and must keep their economies expanding quickly to provide employment for a huge pool of jobless and underemployed people, while creating new jobs for an army of people who enter the market each year.

Thailand's first labor protest came Saturday, when several thousand workers rallied in Bangkok to demand government help, saying they had been hard hit by the country's economic woes.

And Indonesia announced Friday that it would develop a policy to deal with the rising numbers of layoffs and job seekers. "We are facing an oversupply of labor," said the nation's manpower minister, Abdul Latief.

Thailand is suffering its worst economic slowdown since the early 1960s. After averaging 9 percent growth in the past decade, some economists believe the economy will be lucky to grow at all in 1997 or 1998.

Growth also is expected to slow in Indonesia and the Philippines; not nearly as dramatically as in Thailand, but enough to make their governments anxious about the consequences of rising joblessness and part-time employment.

On Monday, Thailand's central bank reported that foreign reserves had fallen by $2 billion, to $25.9 billion, despite receiving $1.6 billion in emergency aid from the International Monetary Fund. And in Kuala Lumpur, the Bakun Hydroelectric Corp. delayed a 3 billion ringgit ($1.12 billion) initial public offering Monday, Malaysia's largest. (Page 13)

The Thai finance minister, Thanong Bidaya, said recently that the contraction of the economy was expected to cause a million people to lose their jobs. He said that about 3 percent of the work force, some 1.2 million people, were

See JOBS, Page 8

Alexander Natruskin/The Associated Press

Boris Yeltsin making his point Monday, when he chastised six Russian tycoons for attacking his team of reformers and ordered them to make amends to two deputy prime ministers.

Yeltsin Denounces Russian 'Tycoons'

In Kremlin Talk, He Demands They Halt Abuse of Reformers

By David Hoffman
Washington Post Service

MOSCOW — President Boris Yeltsin summoned Russia's powerful business tycoons to the Kremlin for an extraordinary tongue-lashing on Monday, demanding that the country's wealthiest figures stop attacking his team of young reformers.

Mr. Yeltsin, who was re-elected last year in large part because of the support of seven industrialists and bankers, called six of them to an urgent meeting at which he insisted they make "peace" with two deputy prime ministers, Anatoli Chubais and Boris Nemtsov.

The meeting put on open display what many have described as Russia's increasingly oligarchic power structure, in which a handful of tycoons and bankers, with help from the Kremlin, have taken a dominant position in the country's rocky transition from socialism to free markets.

The might of the new capitalists is such that President Yeltsin appeared to be the supplicant, insisting that they should not wage a damaging political war against his government.

"It won't do to sling mud at each other through the media," Mr. Yeltsin implored the magnates, who control two of Russia's three major television networks and several of its biggest newspapers.

In response, the bankers and industrialists said they would try to work more closely with the government, and they promised to broaden their number so more companies will benefit from upcoming sales of state-owned property, including Rosneft, an oil sector holding company.

Critics say the corporate oligarchs have been able to grow rich through a series of insider sales of state property.

This has led to large industrial and financial conglomerates that have stifled competition and failed to undertake badly needed industrial restructuring, the critics say.

Mr. Chubais and Mr. Nemtsov, appointed earlier this year, have spearheaded a renewed reform effort, which has included measures to pay long-delayed wages and pensions, restructure Russia's energy monopolies, curtail housing subsidies and collect back taxes. They have been only partly successful. Although Mr. Chubais is widely disliked, the latest polls show Mr. Nemtsov remains the most popular politician in Russia.

The latest big privatization set off protests that have still not subsided. Several of the magnates were angered by a sale this summer in which one banker, Vladimir Potanin of Uneximbank, outbid several others for a telecommunications giant, Svyazinvest.

Mr. Potanin submitted the highest bid, which some said was fair, but the losing bidders apparently thought they had a promise to win the tender.

The result was bitter recriminations among the business tycoons, as well as charges that Mr. Chubais and an ally had tilted in favor of Mr. Potanin.

The ally, Alfred Kokh, head of the State Property Committee, was dismissed by Mr. Yeltsin in the wake of the controversy. At the same time, Mr. Chubais had also publicly taken on some of the new oligarchs, saying the government would not be pushed around by them.

But Mr. Chubais and Mr. Nemtsov were reported to be feeling isolated and

See YELTSIN, Page 8

In China, Plea on Tiananmen

Purged Party Chief Seeks Reassessment of Crackdown

By Steven Mufson
Washington Post Service

BEIJING — Zhao Ziyang, the former Chinese Communist Party chief who was purged during student demonstrations for democracy in 1989, has appealed to party delegates for a reassessment of the protest movement and for a resumption of political reform.

In a typewritten letter dated Sept. 12, addressed to the members of the Communist Party's congress presidium, Mr. Zhao said that the party's decision to label the protests a "counterrevolutionary rebellion" was baseless.

He said that the crackdown on June 4, 1989, in which hundreds of people were killed, damaged relations between the party and people, Beijing and Taiwan, and China and other nations.

"No small price was paid by everyone for that kind of action and solution," the letter stressed.

"Sooner or later the problem of reassessing the June 4 incident will be solved," he added. "Even if time has dragged on, it is not easily forgotten by the people. Solving it sooner is better than later, on one's own accord better than at someone else's prodding, when the situation is stable better than when the situation is not."

The letter, first obtained by the Hong Kong Apple Daily and by the Reuters news agency, was circulating in Beijing on Monday. Typed with Chinese language computer software, the letter bears no signature, raising some concern about its authenticity.

A spokesman for the party congress, Xu Guangchun, said he had not seen the letter. But its style and content is consistent with Mr. Zhao's

See CHINA, Page 8

Local Election In Germany Stokes Debate On the Euro

By John Vinocur
International Herald Tribune

HAMBURG — By early Sunday evening, returns from Hamburg's regional election will be complete, accompanied by a series of permutations about how a new local coalition could provide a glimpse of alliances affecting the national elections next year. But whatever the result here, the most interesting part of the contest has already played itself out.

The compelling element of the campaign has been that the leading candidate of the Social Democratic Party, Henning Voscherau, put himself forward as a man who distrusts the euro, the European Union's common currency-to-be. Coming from a skilled politician, who is regarded as an internationalist and likely finance minister if the Social Democrats oust Chancellor Helmut Kohl in October 1998, the position makes a clear statement about the reality of Germany's palpable discomfort over the prospect of giving up the Deutsche mark for a weaker euro.

A decision by EU finance ministers lifts Europe's markets. Page 13.

As a candidate facing re-election in a city with an open, Hanseatic trading history, close relations with Scandinavia and a reputation for Anglophilia, Mr. Voscherau obviously felt he was taking no risks in attacking the chancellor's "bloody minded" drive to crown his last term with the euro, and in calling for a referendum to decide on its adoption.

At the same time, Mr. Voscherau has stayed within the boundaries of respectable debate in Germany by stressing his own commitment as a European who wants monetary union — "but not a currency that, once the convergence criteria are fulfilled, citizens won't be able to find anyone accountable for."

In saying that something is wrong with the euro, Mr. Voscherau has joined a group of important political figures cutting across political lines who, with careful and even tortured phrasing, have come down on the side of suggesting that a delay of the currency's start beyond 1999 is reasonable and responsible, and in no way catastrophic.

Each of the central figures has found a way to get around nationalistic and emotional explanations for his position. But on the most elemental political level the rejection of the euro turns, in fact, on a combination of both factors: The conviction that the Germans are being forced to give up the mark, the country's symbol of achievement and security, without getting anything good in return.

See EURO, Page 8

For Private Eyes, On-Line Spying Replaces Legwork

By Nina Bernstein
New York Times Service

NEW YORK — On the night of Oct. 8, 1992, the towering pipes of the Texaco refinery in Wilmington, California, vented a sudden rise in pressure. Then the familiar hiss became a deafening screech, and a fiery explosion sent hundreds fleeing in panic from the poor Hispanic community that lies in the refinery's shadow.

The fire burned for three days, filling the air with chemical fumes as far as five miles (eight kilometers) away. Eventually more than 4,700 property-damage claims and 14,000 claims of personal injury were filed against Texaco.

Soon after the blast, Texaco hired a private detective. But his mission was not to investigate the causes of the explosion; it was to investigate the claimants and lawyers whose class-action lawsuits threatened to cost Texaco millions of dollars in damages.

The nearly five-year investigation the detective unleashed offers a powerful illustration of the world of computer technology and information marketing that has turned private detectives into a vanguard of privacy invasion.

Through commercial data bases unknown to most citizens, law-enforcement computer files that are supposed to be off limits to civilians, electronic surveillance equipment readily sold in spy shops, and simple telephone scams common in the information underground, Texaco's private eye quickly amassed sensitive knowledge about dozens of people involved in the explosion claims, according to court documents, interviews and sworn statements.

One claimant, a 23-year-old mother named Rossana Rivera, was frightened to learn that the investigator had generated a five-page computer print-out from her name alone.

The private eye had found her Social Security number, date of birth, every address where she had ever lived, the names and telephone numbers of past

See PRIVACY, Page 8

Netanyahu Faults New Settler Move

By Serge Schmemann
New York Times Service

JERUSALEM — Prime Minister Benjamin Netanyahu on Monday condemned the action of militant Jewish settlers who moved overnight into a house in Arab East Jerusalem, raising a new focus of tension along the volatile Arab-Israeli divide.

Apart from some stone-throwing by Palestinians late Sunday, when the settlers occupied the house, no violence broke out Monday. Security forces were on high alert in Jerusalem and throughout Palestinian areas, but there was no indication whether the government intended to try to evacuate the settlers.

The action drew sharp condemnation from Palestinian officials and Israeli peace groups, and strong support from the Israeli right.

For Mr. Netanyahu, the action was an embarrassment and a challenge.

It came immediately after a visit by Secretary of State Madeleine Albright during which she urged Israel to cease actions that provoke the Palestinians,

See ISRAEL, Page 9

AGENDA

Weld Gives Up in Battle for Mexico Post

WASHINGTON (AP) — William Weld, the moderate Republican nominated by President Bill Clinton to be U.S. ambassador to Mexico, abandoned his fight against Senator Jesse Helms on Monday and told the White House to withdraw his nomination.

Mr. Clinton agreed to do so.

The former Massachusetts governor said he would have been approved had a confirmation hearing had not been blocked by Mr. Helms — the conservative North Carolina Republican whom Mr. Weld derisively called "that man."

The Dollar

New York	Monday @ 4 P.M.	previous close
DM	1.7605	1.7715
Pound	1.6063	1.6075
Yen	120.175	121.00
FF	5.9165	5.9575

The Dow

	Monday close	previous close
-21.83	7721.14	7742.97

S&P 500

change	Monday @ 4 P.M.	previous close
-4.5	919.41	923.91

Norway Labor Party Falling Short, Polls Show

The governing Labor Party in Norwar fell short of a self-imposed minimum of 36.9 percent of the vote in Norway's general election on Monday and was expected to resign, two exit polls showed.

A survey for NRK public television published as polling closed indicated that Labor would win 34.4 percent of the vote.

A poll for independent TV2 put Labor at 33.8 percent. Page 5.

Books ..... Page 11.
Crossword ..... Page 4.
Opinion ..... Pages 10-11.
Sports ..... Pages 20-21.
The IHT on-line www.iht.com

PAGE TWO
The Book That's Titillating Beijing

EUROPE Page 5.
Peace Talks Start. With Sinn Fein

Stephen Shaver/Agence France-Presse

A New Look to Hong Kong Shopping

Has Hong Kong lost its status as the shop-'til-you-drop capital of the world? High fashion has flopped for the first time since the colony took up designer labels 25 years ago. Up-market shops are struggling for customers. For style and inspiration, shops are looking to the mainland. Here comes Chinese design. Page 12.

U.S. Version of Treaty Banning Land Mines Fails to Find Support

By Raymond Bonner
New York Times Service

OSLO — An offer by Washington to sign a treaty banning land mines if exceptions are made that would allow the United States to continue using them in restricted situations has met with a generally negative response at a conference in Oslo that has been negotiating such a treaty for two weeks, diplomats from several countries said Monday.

"There is not a lot of enthusiasm for it," said Ralph Lysyshyn, director-general of Canada's department of international security and the head of his country's delegation to the conference.

The proposals, which the United States delegation began circulating during the weekend, would allow the United States to continue using land anti-personnel mines in connection with anti-tank mines. They would also give a country the right to withdraw from the treaty during a time of war and would postpone the date of the treaty's overall implementation for nine years.

Mr. Lysyshyn said that Canada had not proposed a nine-year transition period but that there might be some room for negotiations. He spoke Monday night after a meeting of a dozen or so of the major countries that have been pivotal in drafting the treaty.

On Tuesday, the delegates will convene for what is expected to be the final negotiating session, and it is hoped that a formal ceremony will be held Wednesday.

During the two weeks of negotiations here, the United States has been virtually alone, against about four-score countries, in insisting on exceptions to a complete and immediate ban on landmines. Washington has had lukewarm support from Japan, Spain and Poland, diplomats said.

The Clinton administration's proposal has been described as a compromise and a major shift in the U.S. position.

But that is not the way it is seen here.

"It's not a compromise," said Jody Williams, of the Vietnam Veterans Foundation, based in Washington, and a coordinator of the international campaign to ban land mines. "It's a repackaging of their bottom-line demands."

While more cautious in their language and reluctant to speak on the record, diplomats from several countries agreed.

"It is not a major shift," said Jackie Selebi, a South African diplomat and chairman of the conference, choosing his words carefully.

The proposals did, however, reflect a willingness on the part of the United States to negotiate, and that was a shift, Mr. Selebi said.

Until this weekend, the Clinton administration had said that it would sign a treaty only if it allowed both the use of mines on the Korean Peninsula and so-called smart mines, which are intended to self-destruct after a certain period.

That was presented as a position not open to negotiation.

Under the new Clinton proposals, a country would have the right to withdraw if it found itself

See MINES, Page 8

Newsstand Prices

Bahrain	1.000 BD	Malta	55 c
Cyprus	C £ 1.00	Nigeria	125,00 Naira
Denmark	14.00 DKr	Oman	1.250 OR
Finland	12.00 FM	Qatar	10.00 QR
Gibraltar	£ 0.85	Rep. Ireland	IR £ 1.00
Great Britain	£ 0.90	Saudi Arabia	10 SR
Egypt	£E 5.50	S. Africa	R12 + VAT
Jordan	1.250 JD	U.A.E.	10.00 Dh
Kenya	K. SH. 160	U.S. Mil. (Eur.)	$ 1.20
Kuwait	700 Fils	Zimbabwe	Zim.$30.00

9 770294 805025 38

Book Buzz in Beijing / **A Juicy Blockbuster**

A Glimpse of the Other Side of China's Elite

By Seth Faison
New York Times Service

BEIJING — In the midst of China's political season, the hottest book in the nation's capital is a juicy novel of political intrigue, sex and murder.

Yet, what draws most readers is not just the lively narrative about a Beijing party chief with millions of dollars and many mistresses at hand or the drama when his deputy turns up dead in a ravine outside the city. Rather, the fascination lies in its remarkable resemblance to a real case that struck at the heart of China's leadership.

As with "Primary Colors," the book that described with verisimilitude the 1992 presidential campaign of a Democrat from Arkansas, readers in Beijing have little trouble picking out the main players in the real-life scandal that parallels the book.

The best evidence that reality is mirrored by the book, called "The Wrath of Heaven," may have come when the alarmed authorities banned its distribution in Beijing. As might be expected, that only made it even more sought after.

Sunday, as delegates to the 15th Communist Party Congress met in the Great Hall of the People to praise their leaders' valor, the book depicting them in an entirely different light was easily available at many bookstalls around the city — a sign of how much lies beyond those leaders' control in contemporary China.

"These copies are all pirated," said a bookseller at one stall on the Avenue of Eternal Peace, after fetching a copy he had hidden beneath a row of newspapers splashed with stories about the party congress. "I feel bad for the author. Such a successful book, and he's not making any money."

Those looking for clues about the nature of life here after the death of Deng Xiaoping might look past the party congress, with its grand unveiling of plans for economic reform, and focus instead on the phenomenon of this book.

It reflects the ever-widening gap between the official version of an honorable leadership and the street-level view of that leadership as a self-selected cabal of money-hungry and power-grabbing men whose lives are far removed from those of ordinary folk.

And the way it was published by a state-owned outfit, and then widely pirated and semiopenly hawked after it was banned, shows how what is permitted in China is often determined by a mixture of surging market demand, official ineptitude and general confusion among the authorities.

Not long ago, politically sensitive articles and books were usually the work of behind-the-scenes power plays, with one leader or faction trying to discredit another. Yet today, many Beijing writers agree that the publication of "The Wrath of Heaven" was driven less by politics than by a desire to make money.

To most people who follow politics in Beijing — and it is hard to find one who has not read "The Wrath of Heaven" — the book's appeal lies partly in its story, with many details doubtless exaggerated for dramatic effect, but even more in how it captures the flavor of life among senior leaders.

"It's the first book to describe the extensive amounts of corruption by a senior leader — the millions of dollars, the endless stream of women," said one writer in Beijing. "It also pierces the myth that corruption in China is one or two bad eggs. It's actually a problem that cuts right through the leadership."

Greg Baker/The Associated Press

A portrait of Deng Xiaoping greets visitors to an exhibition on China's achievements, which is running in Beijing as the nation's leadership gathers for the 15th Communist Party Congress in the Great Hall of the People.

Since the author used a pseudonym, Fang Wen, there was wide speculation at first that it had been written by an official with access to internal reports about the actual case. But several writers say the real author is Chen Fang, a man in his 40s who had already written several unsuccessful novels.

Mr. Chen apparently first submitted the novel to a publishing house in Beijing, where an editor turned it down and circulated an internal report on his decision, so that by the time a publisher in Inner Mongolia brought it out earlier this year, many officials and editors already knew his identity. Efforts to reach the author for this article were unsuccessful.

EDITORS at the Yuanfang Publishing House in Inner Mongolia refused to discuss the circumstances surrounding the book. They only registered for a run of 5,000 copies in the first printing, but writers and editors in Beijing say hundreds of thousands, if not millions, of pirated copies have been reprinted elsewhere.

Just last week, the authorities announced that the former Beijing party chief in the real case, Chen Xitong, would face prosecution on corruption charges.

Though the details of his alleged crimes were not publicized, an internal investigation is said to have found that he embezzled at least $24 million and amassed a collection of private homes where he indulged a taste for entertaining young female television newscasters.

His empire crumbled only after a financial scandal in 1995 implicated one of his closest aides, a deputy mayor named Wang Baosen, who was soon found outside Beijing on the side of a hill with a bullet hole in his head. The death was officially deemed a suicide, but keeping the exact circumstances secret stirred speculation about its true cause.

In "The Wrath of Heaven," the deputy mayor is killed by the son and accomplice of the party chief. The truth remains a mystery, but the party chief's real son, Chen Xiaotong, was sentenced in June to 12 years in prison for taking bribes and misusing public funds.

The father, Chen Xitong, was forced to resign as party chief in April 1995. Dozens of his assistants and staff members have been arrested or forced to resign.

His political demise cannot have been unrelated to his bitter, long-running rivalry with President Jiang Zemin.

The two men competed for the top job of Communist Party general secretary in 1989, after the violent crackdown on demonstrations in Tiananmen Square. When the job went to Mr. Jiang, then the party boss of Shanghai, Mr. Chen is said to have complained that he had been cheated.

As for the author, who is no relation to the disgraced politician though he has the same surname, writers say he is unlikely to be punished. After all, his book, as "Primary Colors" did, reflects a real story but on close reading does not give away any state secrets.

"This book is no big deal," said the bookseller. "All the leaders involved have already stepped down."

Central Asia War Game Tests Pentagon's Reach

By R. Jeffrey Smith
Washington Post Service

SHYMKENT, Kazakstan — In an unprecedented display of U.S. military interest Central Asia, which holds energy and mineral riches, 500 U.S. paratroopers jumped Monday from air force cargo planes onto an arid plateau near here to practice international peacekeeping.

The weeklong U.S.-led exercise is being conducted jointly with troops from Turkey, Russia and four other countries and has been billed as the longest airborne military expedition in history.

Troops from the U.S. Army's 82d Airborne Division embarked early Sunday from Fort Bragg, North Carolina, for the 19-hour nonstop flight to this former Soviet republic. Three in-flight refuelings were required.

By spending an estimated $5 million to rapidly deploy forces 7,700 miles (12,300 kilometers) from home, the Pentagon is demonstrating its desire to encourage political independence and stability among friendly nations in this region, according to several officials here.

They said Kazakstan and the two other key participants in the exercise — Kyrgyzstan and Uzbekistan — were situated at a key commercial and political crossroads among Europe, Asia and the Middle East, in a region formerly part of or dominated by the Soviet Union.

"What we need here are independent sovereign states that are able to defend themselves," said Catherine Kelleher, a deputy assistant U.S. defense secretary, who arrived Sunday to observe. She cited the "potential for conflict, as well as the presence of enormous energy resources" in justifying U.S. involvement.

She did not specify what conflicts worried Washington the most, but ethnic or religious tensions exist nearby in Afghanistan and Tajikistan as well as in Kashmir, parts of which are claimed by both India and Pakistan. About 1,000 kilometers (600 miles) southwest of this dusty and decrepit Kazak city is Iran, which, several officials said, has also sought to expand its influence in the area at the expense of the West. But it is the region's immense, untapped deposits of minerals and oil that have prompted experts and politicians to predict that the fate of these Central Asian former Soviet republics could affect the world balance of power. The Caspian Sea, 1,300 kilometers northwest of here, is home to a pool of oil that exceeds the North Sea's reserves and rivals those beneath Saudi Arabia and Kuwait.

In Turkmenistan, to the southwest, specialists say, a pool of natural gas could be the largest in the world. Although most of these resources are likely to be consumed by China, India and other neighboring nations rather than by the United States, the American oil companies Chevron Corp. and Mobil Corp. already have committed nearly $7 million to help develop the Tengiz oil fields surrounding the Caspian Sea.

A total of 1,329 troops are taking part in the exercise, the premise for which is an imaginary United Nations request for assistance in enforcing the settlement of a border dispute and quelling local opposition from separatist forces that are assisted by a foreign power.

The first person to parachute was General John Sheehan of the U.S. Marine Corps, commander in chief of the U.S. Atlantic Command, which is sponsoring the exercise. General Sheehan, who had been in the running to become chairman of the Joint Chiefs of Staff but was passed over, is to retire this week.

["The message I would leave is that there is no nation on the face of the Earth that we cannot get to," General Sheehan said, news agencies reported.]

Some of the forces are from a newly formed battalion consisting of troops from Uzbekistan, Kazakstan and Kyrgyzstan, Islamic countries that were forged in 1991 from the shards of the former Soviet Union and that remain economic rivals.

Russian military officers were heavily involved in preparations for the exercise, and 49 Russian paratroops are taking part.

TRAVEL UPDATE

A Choice of 15 Movies On Singapore Airlines

SINGAPORE (AFP) — Singapore Airlines unveiled on Monday what was said to be the world's most advanced in-flight entertainment system and announced that gaming would be introduced in the next few months.

A spokesman for the airline said the entertainment system, called Wisemen, was inaugurated Friday aboard a Boeing 747-400 on the Singapore-Tokyo route and would be installed gradually on 70 planes.

The system, developed in collaboration with Matsushita Electric Industrial Co., allows first-class and business-class passengers to choose from 15 movies, more than 20 short features, 50 audio compact discs, 10 Nintendo games and news text.

Typhoon Disrupts Transport in Japan

TOKYO (Reuters) — A typhoon stalled Monday off the coast of Japan's main southwestern island of Kyushu after causing the death of a farmer and snarling transportation nationwide, the Meteorological Agency said.

Most ferry services were halted in an area extending from Tokyo to Okinawa Prefecture, southwest of Kyushu, Japan Broadcasting Corp. reported.

Airlines canceled about 225 flights, mostly to and from Kyushu, and the number of cancellations was expected to increase to more than 270 on Monday.

Malaysia Lands 747 To Test New Airport

KUALA LUMPUR (AP) — A Malaysia Airlines Boeing 747 landed Monday at the new Kuala Lumpur International Airport in Sepang, cheered on by Prime Minister Mahathir bin Mohamad and other government officials.

It was the first test landing at the airport, which is to open early next year and is expected to handle 25 million passengers annually at the start and 60 million by the year 2020.

Rapid transit trains were running in the San Francisco Bay area Monday, the first time since Sept. 6, after a tentative agreement on a four-year contract ended a strike against Bay Area Rapid Transit, which normally carries 275,000 passengers daily. The first 25 trains were on time, a dispatcher said. *(AP)*

Death on Kilimanjaro

Reuters

DAR ES SALAAM, Tanzania — An American died while climbing Mount Kilimanjaro, a U.S. Embassy official said Monday.

Michael Hoelscher, in his late 20s, died Sept. 6. The announcement was delayed until his relations had been informed. "We can confirm there was a death of a young man from the state of Colorado, the official said, calling it altitude-related but giving no other details.

See our
Residential Real Estate
every Friday in The Intermarket

WEATHER

Forecast for Wednesday through Friday, as provided by AccuWeather.

North America
Warm and pleasant with a good deal of sunshine across the Northeast Wednesday through Friday, though it could shower Thursday in New England. Sunny and hot in the central and southern Plains. A Pacific storm will bring rainy, windy and cool weather across the Northwest.

Europe
Windy and cold with showers from Scotland and southern Norway to northern Germany. Pleasant with sunshine in London and Paris. Madrid will have showers; rain may be heavy in northern and western Spain. Showers Wednesday in central Europe, then some sunshine and comfortable.

Asia
Typhoon Oliwa will bring heavy rain to southern Japan Wednesday; rain will spread to northern Japan by Thursday. Partly sunny and breezy in Seoul, while Beijing will be cloudy and cool with showers. Soaking rain will continue in south-central China. Dry with sunshine in Shanghai.

Europe

	Today High/Low W C/F	Tomorrow High/Low W C/F
Algarve	27/80 18/64 pc	28/82 20/68 pc
Amsterdam	23/73 14/57 pc	19/66 11/52 c
Ankara	24/75 9/48 s	24/75 6/43 pc
Athens	26/79 17/62 pc	23/73 17/62 pc
Barcelona	28/68 14/57 sh	22/71 16/61 s
Belgrade	22/71 9/48 pc	15/77 12/53 s
Berlin	24/75 15/59 pc	23/73 12/53 pc
Brussels	23/73 14/57 pc	21/70 13/55 c
Budapest	22/71 9/48 s	23/73 12/53 s
Copenhagen	19/66 14/57 c	18/64 9/48 sh
Costa Del Sol	27/80 18/64 pc	28/82 20/68 pc
Dublin	17/62 12/53 r	17/62 11/52 c
Edinburgh	17/62 8/46 r	14/57 7/44 s
Florence	22/71 12/53 pc	25/77 15/59 pc
Frankfurt	24/75 13/55 s	24/75 10/50 pc
Geneva	23/73 11/52 pc	24/75 12/53 s
Helsinki	14/57 11/52 r	16/61 8/46 r
Istanbul	19/66 14/57 c	21/70 14/57 pc
Kiev	16/61 8/46 pc	21/70 10/50 pc
Las Palmas	24/75 19/66 s	24/75 20/68 pc
Lisbon	24/75 17/62 pc	24/75 18/64 pc
London	22/71 13/55 c	20/68 14/57 sh
Madrid	24/75 13/55 pc	28/82 13/55 pc
Mallorca	26/79 15/59 c	27/80 16/61 s
Milan	24/75 11/52 s	27/80 14/57 s
Moscow	14/57 8/46 pc	18/64 12/53 c
Munich	21/70 9/48 s	22/71 11/52 pc
Nice	22/71 14/57 s	24/75 18/64 s
Oslo	16/61 12/53 r	17/62 4/39 c
Paris	24/75 13/55 s	23/73 13/55 pc
Prague	25/77 10/50 s	24/75 11/52 pc
Reykjavik	9/48 1/34 c	8/46 4/39 sh
Riga	15/59 13/55 r	19/64 11/52 sh
Rome	29/84 19/61 pc	24/75 16/61 pc
St. Petersburg	12/53 10/50 r	15/59 12/53 r
Stockholm	16/61 10/50 c	17/62 7/44 pc
Strasbourg	24/75 14/57 pc	26/79 14/57 s
Tallinn	14/57 13/55 r	16/61 9/48 r
Tbilisi	26/79 12/53 pc	24/75 13/55 pc
Venice	21/70 11/52 s	24/75 16/61 s
Vienna	21/70 11/52 s	23/73 14/57 s
Warsaw	20/68 11/52 pc	23/73 11/52 pc
Zurich	22/71 13/55 pc	24/75 13/55 pc

Middle East

Abu Dhabi	41/106	23/73 s	42/107	24/75 s
Beirut	29/75	19/64 s	28/79	21/70 s
Cairo	32/89	18/64 s	33/91	19/66 s
Damascus	33/91	11/52 s	31/88	13/55 s
Jerusalem	29/84	12/53 s	26/79	14/57 s
Luxor	38/100	15/59 s	38/100	17/62 s
Riyadh	36/104	21/70 s	42/107	22/71 s

North America

	Today High/Low W C/F	Tomorrow High/Low W C/F
Anchorage	14/57 6/43 pc	13/55 7/44 pc
Atlanta	30/86 19/66 s	30/86 19/66 pc
Boston	24/75 14/57 pc	24/75 16/61 pc
Chicago	28/82 18/64 pc	26/79 15/59 pc
Dallas	36/97 22/71 s	33/91 22/71 pc
Denver	26/79 10/50 t	27/80 10/50 pc
Detroit	27/80 17/62 pc	26/79 14/57 pc
Honolulu	31/88 23/73 s	32/89 23/73 pc
Houston	33/91 22/71 pc	32/89 21/70 pc
Los Angeles	31/88 15/59 s	29/84 16/61 pc
Miami	31/88 26/79 sh	33/91 23/77 pc
Minneapolis	26/79 13/55 t	23/73 12/53 pc
Montreal	19/66 11/52 pc	24/75 16/59 c
Nassau	32/89 24/75 t	32/89 24/75 pc
New York	28/82 18/64 pc	27/80 18/64 pc
Orlando	33/91 23/73 t	33/91 23/73 pc
Phoenix	37/98 28/79 pc	38/100 24/75 pc
San Fran	22/71 12/53 s	22/71 13/55 pc
Seattle	17/62 12/53 r	18/64 11/52 r
Toronto	24/75 14/57 pc	26/79 13/55 c
Vancouver	12/53 10/50 sh	19/61 8/43 sh
Washington	30/86 18/64 s	29/84 18/64 pc

Asia

	Today High/Low W C/F	Tomorrow High/Low W C/F
Almaty	31/88 17/63 s	29/79 12/53 pc
Bali	31/88 20/68 s	30/86 20/68 s
Bangkok	33/91 24/75 pc	32/89 23/73 r
Beijing	29/79 9/48 s	22/71 11/52 s
Bombay	29/84 23/73 sh	29/84 24/75 t
Calcutta	32/89 24/75 r	31/88 23/73 c
Chiang Mai	31/88 22/71 sh	31/88 23/71 c
Colombo	28/82 24/75 r	28/82 23/73 sh
Hanoi	30/86 24/75 r	30/86 24/75 sh
Ho Chi Minh	32/89 23/73 r	31/88 23/73 sh
Hong Kong	29/84 22/71 c	28/82 23/73 r
Islamabad	40/104 24/75 s	39/102 24/75 s
Jakarta	32/89 22/71 pc	31/88 22/71 pc
Karachi	33/91 25/77 pc	33/91 25/77 s
K. Lumpur	31/88 22/71 sh	31/88 22/71 c
K. Kinabalu	31/88 22/71 sh	30/86 22/71 sh
Manila	31/88 23/73 pc	31/88 23/73 sh
New Delhi	37/98 26/79 pc	37/98 25/77 pc
Phnom Penh	31/88 23/73 sh	30/86 23/73 sh
Phuket	33/91 24/75 pc	32/89 23/73 r
Rangoon	29/84 23/73 r	29/84 22/71 r
Seoul	24/75 15/61 c	26/79 13/53 pc
Shanghai	27/80 19/66 pc	26/79 20/68 pc
Singapore	30/86 21/70 pc	31/88 21/70 pc
Taipei	29/84 21/70 pc	27/80 21/70 pc
Tokyo	24/75 23/73 r	28/82 25/77 sh
Vientiane	30/86 22/71 c	29/84 22/71 r

Africa

Algiers	31/88	21/70 c	32/89	21/70 c
Cape Town	21/70	12/53 pc	25/77	14/57 pc
Casablanca	24/75	19/66 pc	26/79	19/66 pc
Harare	19/66	11/52 sh	24/75	11/52 pc
Lagos	29/84	23/73 pc	28/82	23/73 r
Nairobi	27/80	11/52 pc	28/82	11/52 pc
Tunis	28/82	19/66 r	29/84	19/66 sh

Latin America

Buenos Aires	29/73	12/53 s	18/64	8/46 c
Caracas	29/84	22/71 pc	28/82	22/71 sh
Lima	22/71	17/62 pc	21/70	17/62 pc
Mexico City	24/75	14/57 pc	19/66	13/55 c
Rio de Janeiro	22/71	17/62 sh	24/75	21/70 c
Santiago	23/73	13/55 sh	14/57	6/43 r

Oceania

Auckland	11/52	8/46 sh	15/59	13/55 r
Sydney	22/71	9/48 s	16/61	9/48 pc

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Hce, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1997

ADVERTISEMENT

A MATTER OF TASTE

Did you know there are more than 13,000 restaurants in Hong Kong? In a land of 6 million people, that may be the highest per capita number of eating places in the world. Any visit is sure to be an unforgettable eating extravaganza.

Capture the traditional ambiance at one of Hong Kong's most elegant teahouses, the historic Luk Yu Teahouse. Served throughout the day, dim sum (literally meaning "to touch the heart") are freshly steamed or fried Chinese snacks in a great variety of delicious forms.

Experience the tastes of old Shanghai at the Regent Hotel's Club Shanghai, or at Shanghai Shanghai in the Ritz Carlton. Theme cuisine, jazz bands and cigar divans all help to recreate that decadent 1930s Paris-of-the-East flavor. During the winter, experience traditional Chinese cold-weather favorites like Chinese hot pot or hairy crabs, another Shanghainese delicacy.

If you're feeling more adventurous, try a hot snake soup or dine among Hong Kong's movers and shakers at Felix, the ultra-chic Philippe Starck-designed restaurant at the top of The Peninsula's new tower.

What's more, Hong Kong's simple entry procedures mean you don't need a visa to start your culinary journey in the land where wonders never cease.

http://www.hkta.org

香港 HONG KONG
wonders never cease

ENTERTAINMENT
Appears every Wednesday in The Intermarket.
To advertise contact Christelle Forestier in our London office
Tel.: + 44 1 71 420 0329 / Fax: + 44 1 71 420 0338
or your nearest IHT office or representative.
Herald Tribune
THE WORLD'S DAILY NEWSPAPER

Are You Prepared ?
1997 & 1998 Will Generate Major Currency Moves.
These moves will directly affect the value of your Portfolio. Prepare yourself to take advantage of these moves by calling today.

Peter G. Catranis
Forex & Futures Specialist

SUPERIOR	Selection of Managed Accounts
OUTSTANDING	Global Currency Analysis
EXCEPTIONAL	Execution Forex or Futures
MINIMUMS	$10,000 to $5,000,000 (USD)
COMMISSION	2-5 FX Spreads Futures $12-$36

For My Complimentary Services Guide, Latest Research Reports, Opinions and Performance Records Call (24 hours) Toll-Free.

Australia	1800125944	Belgium	080015680	Brazil	000811921551
Colombia	980120837	Denmark	80016132	Finland	08001110064
France	0800902246	Greece	0800119213013	Germany	0130829666
Hong Kong	800967209	Israel	1771000102	Italy	167875928
Japan	0031126609	Korea	0038110243	Luxembourg	08004552
Mexico	958008784178	Netherlands	060220857	N. Zealand	0800441880
Portugal	050112632	Singapore	8001202501	S.Africa	0800996337
Spain	900831607	Sweden	020793158	Switzerland	0800897233
Thailand	0018001192116613	USA	8009945757	UK	0800966632

US-Toll Voice Line +714-376-8020 US-Toll Fax Line +714-376-8025

THE INTERMARKET
On Internet
Classified ads placed in the International Herald Tribune can now be seen on the IHT web site.
http://www.iht.com
A great deal happens at The Intermarket
Herald Tribune
THE WORLD'S DAILY NEWSPAPER

A two-month trial subscription.
Save up to 60%
Try a special, low cost 2-month trial subscription to the International Herald Tribune to enjoy delivery to your home or office every morning AND save up to 60% off the newsstand price.

COUNTRY/CURRENCY		2 MONTHS NEWSSTAND PRICE	2 MONTHS OFFER PRICE	DISCOUNT OFF COVER PRICE
AUSTRIA	ATS	1,456	650	55%
BELGIUM/LUXEMB.	BEF	3,380	1,350	60%
DENMARK	DKK	760	360	54%
FINLAND	FIM	624	310	50%
FRANCE	FF	520	210	60%
GERMANY	DEM	182	72	60%
GREAT BRITAIN	£	47	22	53%
HONG KONG	HK$	676	284	57%
ITALY	ITL	145,600	58,000	60%
JAPAN	¥	26,000	12,150	53%
MALAYSIA	RM	182	101	44%
NETHERLANDS	NLG	195	78	60%
NORWAY	NOK	832	390	53%
SINGAPORE	S$	146	82	43%
SPAIN	PTAS	11,700	5,000	57%
SWEDEN	SEK	832	350	58%
SWITZERLAND	CHF	166	66	60%
USA	$	78	43	45%

FOR OTHER COUNTRIES, PLEASE CONTACT YOUR NEAREST IHT OFFICE

Yes, I would like to start receiving the International Herald Tribune
☐ My check is enclosed (payable to the IHT)
Charge my ☐ Amex ☐ Diners ☐ VISA ☐ Access ☐ MasterCard ☐ Eurocard
For ex-US and Asian prices, credit cards will be charged in French Francs at current rates.
Card No. _____ Exp. Date. _____
Signature _____
For business orders, indicate your VAT No. _____ (IHT VAT Number FR74732021126)
Mr/Mrs/Ms Family Name _____
First Name _____ Job Title _____
Mailing Address _____
City/Code _____
Country _____
Home Tel No. _____ Business Tel No. _____
E-Mail Address _____
I got this copy of the IHT at: ☐ kiosk ☐ hotel ☐ airline ☐ other 16-9-97
☐ I do not wish to receive information from other carefully screened companies
Mail or fax to: International Herald Tribune
EUROPE, MIDDLE EAST & AFRICA
181 Ave. Charles de Gaulle, 92521 Neuilly Cedex, France
Fax: +33 1 41 43 92 10. Tel: +33 1 41 43 93 61
THE AMERICAS
850 Third Avenue, New York, N.Y. 10022-6275, USA
Fax: +1 212 755 8785. Tel: (toll free) 1-800-882-2884
ASIA
7/F Malaysia Bldg, 50 Gloucester Rd, Wanchai, Hong Kong
Fax: +852 2922 1199. Tel: +852 2922 1171
E-Mail: subs@iht.com Asia: subshk@hkstc.com
Offer valid for new subscribers only. HA7M

Printed by Newsday International Limited, Bracknell and at newspaper at the post office

THE AMERICAS

IRS to Audit Returns of Paula Jones

Move Follows Rejection Of a Deal With Clinton

By George Lardner Jr.
Washington Post Service

WASHINGTON — The Internal Revenue Service has decided to audit the income-tax returns of Paula Corbin Jones, who is suing President Bill Clinton on charges of sexual misconduct, according to the chairman of Ms. Jones's legal defense fund.

Ms. Jones and her husband, Stephen, were notified Friday, a few days after Ms. Jones rejected an out-of-court settlement urged upon her by her lawyers, according to Susan Carpenter-McMillan, Ms. Jones's spokeswoman and chairman of the Paula Jones Legal Defense Fund.

"I call it harassment," Ms. Carpenter-McMillan said Sunday in a television interview, confirming a report in The Washington Times. She said the IRS was even asking for apartment rental receipts although the Joneses do not claim the rent as a deduction.

Ms. Carpenter-McMillan said she was not accusing the White House or Mr. Clinton of using the IRS to harass his detractors. "I would never be so blunt," she said. "I just find it very coincidental."

[Asked Monday if there was any reason to believe a White House staffer was involved in the matter, Michael McCurry, the White House spokesman, said "none whatsoever," Reuters reported.

["We may do dumb things from time to time, but we are not certifiably insane," he said. "The IRS, and IRS solely, is the one that makes decisions about the enforcement of tax laws."]

An IRS spokesman, Frank Keith, said federal tax law prohibited him from saying anything.

"Absent permission from the taxpayer in the form of a written waiver," he said, "we cannot confirm or deny that an audit is under way." In general, he said, "the IRS audits tax returns for tax purposes."

Ms. Carpenter-McMillan said this was "the first time in their entire lives" that either Ms. Jones or her husband had been picked out for an audit.

A former Arkansas state employee, Ms. Jones sued the president in 1994, charging that he asked her to perform oral sex in a hotel room in Little Rock on May 9, 1991, when he was governor of Arkansas. Mr. Clinton denies the allegations.

Carole Devillers/Reuters

HOMEWARD BOUND — A coffin holding the body of a victim of the ferry sinking off Haiti being loaded onto a sailboat bound for La Gonave Island. About 245 people drowned in the capsizing on Sept. 8.

Away From Politics

• Two popular diet drugs have been voluntarily withdrawn from the market after being linked to serious heart damage, the Food and Drug Administration announced. The agency recommended that anyone using Redux, known chemically as dexfenfluramine, or Pondimin, known as fenfluramine, stop taking them and contact their doctors. Fenfluramine is half of the popular diet drug combination called fen-phen. The other half, phentermine, is not affected, but patients can no longer use the combination. *(AP)*

• A Tokyo-bound United Airlines Boeing 747 carrying 301 passengers and a crew of 18 hit severe turbulence about 20 minutes out of Chicago, injuring a flight attendant and three passengers. *(AP)*

• A virulent and apparently new strain of bacteria killed four newborn babies this summer in the intensive care unit of Boston's Children's Hospital. The hospital closed its neonatal intensive care unit to new patients on Aug. 29 and said it was trying to isolate the bacteria, which caused overwhelming infections of the bloodstreams. *(AP)*

• Prosecutors in Arizona have filed first-degree murder charges against five men who stormed a house in Phoenix and killed a young couple inside. The men were not bounty hunters, as they had claimed, but burglars, the authorities said. *(Reuters)*

Women Lose Ground on Pay Front

Gap With Male Wages Is Widening Again, Puzzling Economists

By Tamar Lewin
New York Times Service

NEW YORK — After nearly two decades in which the wage gap between men and women narrowed steadily, it is now widening again, causing confusion and concern among economists and women's groups alike.

According to the Bureau of Labor Statistics, the median weekly earnings of full-time working women are just under 75 percent of the median for men, down from 77 percent four years ago.

"It's a puzzlement," said Francine Blau, a labor economist at Cornell University. "In my head, at this point, it doesn't mean we're actually going backward. It's more a slowdown, a plateau, a consolidation after a period of rapid social change. The concern is what's happened to that robust upward trend we had for so many years, and what's going to happen in the future."

From 1979 to 1993, women's median earnings rose from 62 percent of men's to 77 percent. In the early 1990s, the narrowing gap was widely trumpeted as evidence of women's greater opportunities, greater education and greater work experience — trends that were predicted to continue indefinitely, edging women ever closer to pay equity.

"The narrowing wage gap got a huge amount of attention five years ago," said Claudia Goldin, an economist at Harvard University.

"But right now, we're a little quiet. Questions of gender and economics are going to be with us forever, and it's all connected to political and social change. The social movements that led to women's advances came in with great force. It was an enormous tide. Now we're coming into a new equilibrium."

While some labor economists suggest tentatively that the gender gap may have something to do with welfare reform unleashing a flood of unskilled women on the job market, many say it is far too soon to say with any certainty just what, if anything, the earnings data portend.

"There's definitely something real going on, and it's worth worrying about, but we don't have a good explanation," said Jared Bernstein, an economist at the Economic Policy Institute, a Washington research organization known for liberal views.

Many specialists in the field caution against concluding that the earnings numbers are evidence of growing discrimination against women. They say it is more likely that the numbers reflect changes in the makeup of the work force, overall economic trends or statistical flukes, rather than any reversal of women's workplace status.

They point out that while one measure of wages — median usual weekly earnings of full-time workers — shows a steadily widening gap between men and women since 1993, another measure available only through 1995 — annual full-time wages of year-round workers — fluctuates slightly, showing no steady trend.

The gap between men and women's annual earnings is larger than in weekly earnings in part because the annual measure more fully reflects bonuses and occasional overtime pay, areas in which men tend to do better than women.

Generally, younger women workers come the closest to men's pay levels.

POLITICAL NOTES

White House Keeps Wordsmiths in Line

WASHINGTON — Attention White House speechwriters: The term "fast track" is no longer in vogue. "NAFTA expansion" is banned. As President Bill Clinton opens his drive for free-trade legislation, the phrase of choice is "Renewal of Traditional Trading Authority."

It may not have much of a ring, but if they can redefine the lingo, administration officials figure, they may erase some negative imagery associated with Mr. Clinton's plan, making it more salable to the public.

Few are more attuned to the power of words than the denizens of the Clinton White House. Whoever controls the language controls the debate. In an era when voters and politicians are afflicted with information overload, the shorthand description of a policy proposal necessarily colors the popular view of it.

With that in mind, the wordsmiths of the White House have tried to rewrite the political lexicon this year on such topics as U.S. relations with China, the Whitewater investigation and social policy.

"The Clinton administration is the most linguistically disciplined operation in the history of modern politics," said Frank Luntz, a Republican pollster known for lecturing his clients about the importance of language. "They have no shame. That is why what they say is so effective." *(WP)*

Christian Coalition Marshals Its Forces

ATLANTA — It appeared to be another joyous weekend of prayer and politics at the Christian Coalition's annual convention. But between their familiar fulminations against abortion, homosexuals and Mr. Clinton, many speakers left little doubt that they fear the group could lose some of its political punch.

In speech after speech, leaders of the largest U.S. organization of religious conservatives signaled their concerns by defiantly, even defensively, insisting that the Christian Coalition was not about to fade away.

The heartening news for the coalition at the weekend was that it still managed to attract a cavalcade of Republican luminaries, including seven prospective presidential candidates who are mindful of the group's effectiveness at turning out voters.

But many of the 1,000 coalition members who gathered here conceded in interviews that their organization was embarking on a new and perhaps arduous journey — most notably as its charismatic executive director, Ralph Reed, who has been credited with the organization's success, has left to become a political consultant.

In addition to Mr. Reed's departure, the organization's activities are under serious scrutiny by federal officials. The Federal Election Commission is investigating whether the coalition made illegal efforts to promote Republican candidates, and the Internal Revenue Service is examining whether the group's actions violated its tax-exempt status. *(NYT)*

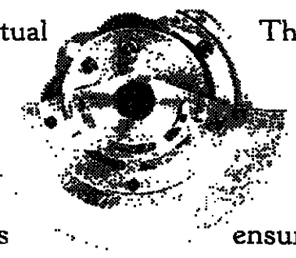
Quote/Unquote

David Axelrod, a Chicago-based media consultant for Democrats, on the impact of fund-raising inquiries on Vice President Al Gore's presidential aspirations: "The presumption a few weeks ago was that Gore was a prohibitive favorite — impregnable in this race. A few bricks have been kicked loose from that foundation." *(AP)*

The Oyster.

The Pearl.

Safe inside the Oyster case of a Rolex Lady Oyster Perpetual resides a movement consisting of more than two hundred components of breathtaking complexity and mechanical precision. It includes a Perpetual rotor which transforms the slightest movement into a reserve of power. This rotor keeps the mainspring at a constant optimum tension to ensure maximum efficiency and reliability. It's just one reason why, the more closely one studies this Lady Oyster Perpetual, the more beautiful it becomes.



ROLEX
of Geneva

The War Vietnam Lost: Western 'Evils' Take Root

Go-Go Bars and Prostitution Proliferate

By Keith B. Richburg
Washington Post Service

HANOI — Early last year, Vietnam's sometimes puritanical Communist rulers opened what they called an all-out war against "social evils" — negative influences affecting society and traditional values as a consequence of the country's opening to the more decadent West.

More than a year and a half later, it appears that the war is over — and this time, the Vietnamese government has lost.

Here in Hanoi, it does not take long to see how far, and how fast, the perceived social evils have spread. For example, just down the road from Hoan Kiem Lake, where a large billboard exhorts the masses to smash bad influences, including prostitution, the Maila disco is open for business. A visitor walking through the doorway is at first confronted by the unusual — for Hanoi — sight of two scantily clad go-go girls dancing atop two platforms, while women along the walls bide their time waiting for men, mostly foreign, to buy them drinks.

The bare-midriff dancer theme has spread in Hanoi, which traditionally has been among the most staid of Communist capitals. At Sparks disco on Lo Duc Street, which caters to a more local clientele, the dancing girls keep the beat between sets by a local band playing Top 40 hits, while the manager cheerily introduces a foreign customer to the *momma-san*, who is in charge of the bevy of young girls sporting the traditional Vietnamese *ao dai*, the sleek, loose-fitting top over wide trousers.

Hotel massage parlors have become notorious for offering clients what are called "special massages," with the female workers asking only that the extra charge be added onto the bill later as a "tip."

With prostitution now a thriving industry in Vietnam, concerns about AIDS are on the rise. Officially, Vietnam has about 4,000 cases of infection by the AIDS-causing HIV virus, but many health experts say the number may be far larger because of the explosive growth of the sex industry. There is very little reliable AIDS testing here.

It is nearly impossible to gauge the number of prostitutes in Vietnam, but one official estimate puts the number at 70,000 — a figure that seems far too low given the plethora of new karaoke bars, massage parlors and discos that cater to hookers and their clients.

Reuters

Duong Van Khanh being led away after sentencing Monday in Hanoi.

2 Hanoi Gangsters Get Death Penalty

Reuters

HANOI — The leader of a notorious Hanoi gang and his stepbrother were sentenced to death Monday after one of Communist Vietnam's biggest criminal trials.

The Hanoi People's Court said 22 other members of Duong Van Khanh's gang had received prison terms ranging from 3 to 20 years.

Among those receiving the prison terms were four former police officers.

The defendants were tried on 11 charges, including murder, rape, robbery, intentionally causing injury, harboring criminals, disturbing public order and evading taxes.

Prostitution is nothing new to Vietnam; during the war years, Saigon became infamous for its brothels, hookers and pimps offering their services and pleading with GIs to buy them a "Saigon tea." Sexually transmitted diseases became so widespread that a particularly resistant strand was branded "Vietnam Rose" and could not be treated with the normal dosage of antibiotics.

After Communist North Vietnam routed South Vietnamese forces and forcibly united the country in April 1975, prostitutes were rounded up and sent off for rehabilitation in the countryside. Journalists there at the time tell stories of bar girls scraping the red polish from their fingernails and exchanging their ao dais for common pajamas so as not to be recognized.

What is new, however, is that prostitution — the most visible of the country's "social evils" — has spread so openly here in the north, to Hanoi.

Early last year, Vietnamese officials became so concerned about the growing problem — not just prostitution, but also drugs, and pornographic and violent movies and songs — that the party and government began a campaign to stamp out the Western rot. The giant billboards, like the one by Hoan Kiem lake, were erected, warning against gambling, illicit sex and a variety of other vices. Unlicensed massage parlors were shut down, and the others were ordered to keep their rooms well-lit and visible from the outside. Karaoke bars, too, were told that dark-tinted doors and windows were out; clear glass was in.

Explaining the crackdown in January 1996, Deputy Foreign Minister Le Mai said, "We try not to become Bangkok."

Mr. Le, who held the post from 1990 until his death last year, added: "When we launched the market economy, we started to have these problems, and we are trying to stop it before it's too late."

Now, though, it looks as if Vietnam's anti-evil campaign may have been too little, too late.

Deputy Defends Hong Kong's Election Plans

Reuters

HONG KONG — Hong Kong's highest ranking civil servant insisted Monday that legislative elections in 1998 would be free and fair, and she denied allegations that new election rules were designed to keep out democratic forces.

"I'm confident that they will be free, fair, open and governed by rules that are transparent," said the chief secretary, Anson Chan, who is deputy to the Hong Kong leader, Tung Chee-hwa.

Mrs. Chan's pledge, before businessmen at a conference organized by the American Chamber of Commerce in Hong Kong, follows the official visit by Mr. Tung last week to the United States, where he met President Bill Clinton and was questioned by congressmen on Hong Kong's legislative elections scheduled for May.

Mr. Tung, picked by Beijing to lead Hong Kong after it was handed back to China on July 1, has proposed new ground rules for the elections that will disenfranchise about 2 million voters. Only 180,000 will be eligible to vote.

The Democratic Party leader, Martin Lee, called Mrs. Chan's comments "highly unfortunate."

"It is preposterous to say that Mr. Tung's new electoral system is not a great leap backwards for democracy," he said in a statement.

BRIEFLY

Swiss Freeze Bhutto's Accounts

BERN — The Swiss government said Monday it had frozen the bank accounts of former Prime Minister Benazir Bhutto of Pakistan and those of members of her family as part of a corruption investigation.

Authorities said the federal Police Office had frozen the accounts at the request of Pakistani authorities, who have begun an investigation of corruption charges against Miss Bhutto and her husband, Asif Ali Zardari.

The police said four Geneva-based banks where the accounts were located had not yet produced any information about the amount of assets held in the accounts and safe deposit boxes.

It did not name the banks, and officials were not immediately available for comment. *(Reuters)*

UN to Pull Out of Afghan City

ISLAMABAD, Pakistan — The United Nations is planning to withdraw its staff temporarily from the northern Afghan city of Mazar-i Sharif after gunmen looted food, cars and equipment valued at millions of dollars, UN officials said Monday.

"We hope to bring out our 13 staffers from Mazar-i Sharif on Tuesday, and we are not planning to send people back until things settle down there," said Sarah Russell, spokeswoman for the UN Development Program for Afghanistan. She said she hoped a UN plane would be cleared to fly into Mazar-i Sharif on Tuesday. *(Reuters)*

Toll in Indian Fire Rises to 35

VISHAKHAPATNAM, India — The death toll has climbed to at least 35 people, and more than 100,000 people have fled a fire that has ripped through a southern Indian oil refinery, officials said Monday.

The blaze was still raging more than 34 hours after a leaking pipeline triggered an explosion at the state-run Hindustan Petroleum Corp. refinery in the southeastern port city of Vishakhapatnam early Sunday. *(Reuters)*

For the Record

India and Pakistan are to resume a fragile dialogue in New Delhi on Tuesday to try to build trust after tensions caused by cross-border artillery duels in the disputed Kashmir region and mutual expulsions of diplomats. *(Reuters)*

Privatisation Commission
Government of Pakistan

REQUIRES

A FINANCIAL ADVISOR FOR
THE PRIVATISATION OF

UNITED BANK LIMITED (UBL)

The Government of Pakistan intends to sell a strategic stake in **United Bank Limited (UBL)** with management rights to a strategic investor.

A **Financial Advisor** is to be appointed to assist the Government of Pakistan in this process. The Financial Advisor will be responsible for all activities leading to the sale of strategic stake and transfer of management control to a strategic investor.

Amongst others, the responsibilities of Financial Advisor will include a detailed review of present operations of **UBL**, financial valuations, structuring and the marketing of the proposed sale and undertaking appropriate post sale activities to address and close all legal and commercial issues of the transaction.

Expression of interest are invited from reputed investment banks, management consultants and business houses & groups offering financial advisory services. Application should include a brief profile of the Institutes/Group and a bank draft favouring **"Privatisation Commission, Government of Pakistan" of Pak Rs.100,000/- (or its equivalent US $)** on account of non refundable Processing Fee. Detailed Terms of Reference for the assignment will be provided to the parties submitting their Expression of interest.

For further information, please contact **Shahbaz Jameel**, Project Manager, at **(9251) 9201955.**

Proposal duly marked **"Financial Advisory Services for UBL"** should reach the Privatisation Commission at the following address latest by **3:00 p.m.** (PST) on **7th October, 1997**.

Ahmad Waqar
Joint Secretary

Privatisation Commission, Government of Pakistan
5-A Constitution Avenue, Islamabad
Phone: (9251) 9203881/9205146 Fax: (9251) 9203076

See Wednesday's Intermarket for Business Opportunities, Franchises, Commercial Real Estate, Telecommunications, Automotive and Entertainment.
To advertise contact Sarah Wershof on +44 171 420 0326 or fax +44 171 420 0338
A GREAT DEAL HAPPENS AT THE INTERMARKET

Announcements

Herald Tribune
THE WORLD'S DAILY NEWSPAPER

SUBSCRIBER CUSTOMER SERVICE: For questions or queries about the delivery of your newspaper, the status of your subscription or about ordering a subscription, please call the following numbers: EUROPE, MIDDLE EAST AND AFRICA: TOLL FREE - Austria 0660 8120 Belgium 0800 17538 France 0800 437437 Germany 0130 848585 Italy 167 780040 Luxembourg 0800 2703 Netherlands 06 0225158 Sweden 020 797039 Switzerland 155 5757 UK 0800 895965 Elsewhere (+33) 1 41439361 THE AMERICAS: USA (toll-free) 1-800-8822884 Elsewhere (+1) 212 7523890 ASIA: Hong Kong 2922 1171 Indonesia 809 1928 Japan (toll-free) 0120 464 027 Korea 3672 0044 Malaysia 221 7055 Philippines 895 4946 Singapore 325 0834 Taiwan 7753456 Thailand 277 4485 Elsewhere (+852) 29221171

OUR NEXT SPECIAL HEADING:
REAL ESTATE
IN & AROUND PARIS
(Sales and Rentals)
will be appearing on
Friday, September 19th
For more details please contact:
INTERNATIONAL HERALD TRIBUNE
PARIS Tel: +33 (0)1 41 43 93 85
or Fax: +33 (0)1 41 43 93 70
E-mail: vboyle@iht.com

BRIONI. The finest hand-made suit. Largest selection in Switzerland at WEINBERG the leading men's store. Bahnhofstr. 13, Zurich 01-211 29 50

FEELING low? - having problems? SOS HELP crisis-line in English 3 p.m - 11p.m. Tel: Paris (01) 47 23 80 80

Legal Services

DIVORCE IN 1 DAY. No travel. Write. Box 377, Sudbury, MA 01776 USA. Tel: 978/443-8387, Fax: 978/443-0183

Business Opportunities

OFFSHORE COMPANIES. For free brochure or advice Tel. London 44 181 741 1224 Fax: 44 181 748 6558/6338 www.appleton.co.uk

OFFSHORE BANKS
COMPANIES & TRUSTS
IMMIGRATION/PASSPORTS
Banking-Accounting-Secretarial
Vat Registration-Invoicing
Mail-Phone-Fax Services Worldwide
Aston Corporate Trustees
Aston House, Douglas, Isle of Man
Tel: +44 (0) 1624 626591
Fax: +44 (0) 1624 625126
London
Tel: +44 (0) 171 233 1302
Fax: +44 (0) 171 233 1519
E Mail: astonc@enterprise.net
www.aston-iom.demon.co.uk

OFFSHORE BANK
with correspondent relationship.
Class A commercial license.
Immediate delivery. US $60,000.
NASSAU, BAHAMAS
Tel: (242) 394-7080 Fax: (242) 394-7082
AGENTS WANTED WORLDWIDE

Business Services

PRIME LOCATION IN PARIS ON AVENUE FOCH. as your mailing address - All your mail forwarded to you. Tel: or Fax: +33 (0)1 45 53 30 74.

YOUR OFFICE IN LONDON
Bond Street - Mail, Phone, Fax, Telex
Tel: 44 171 290 9000 Fax 171 499 7517

Financial Services

FUNDING PROBLEMS?
for
SOLUTIONS
Contact
BANCOR
OF ASIA
Bankable guarantees to secure funding for viable projects
VENTURE CAPITAL
EQUITY LOANS
REAL ESTATE
Long term collateral
Supported Guarantees
Fax: (632) 810-9284
Tel: (632) 894-5358
(Commission earned only upon Funding)
Brokers Commission Assured

Business Travel

1st/Business Class Frequent Travellers Worldwide. Up to 50% off. No coupons, no restrictions. Imperial Canada Tel: 1-514-341-7227 Fax: 1-514-341-7998. e-mail address: imperial@login.net http://www.login.net/imperial

Capital Available

PROJECT CAPITAL
AVAILABLE NOW
NO LIMIT
NO SECURITY
FAX: +44 (0)171 470 7213

COMMERCIAL/BUSINESS FINANCE available for any viable projects worldwide. Fax brief synopsis in English to Corporate Advances. (+)44-1273-621300.

TELECOMMUNICATIONS

New Lower International Rates!
Germany.... 31¢
Japan..... 38¢
France..... 33¢
UK..... 19¢
• NO Set Up Fees
• NO Minimums
• Six-Second Billing
• AT&T Quality
• 24-hour Multi-lingual Customer Service
The Original kallback
Where Standards are Set, not Met!
Tel: 1.206.599.1991
Fax: 1.206.599.1981
Email: info@kallback.com
www.kallback.com
417 Second Avenue West
Seattle, WA 98119 USA

Real Estate for Sale

Paris and Suburbs

HAVEN OF PEACE
7th AVE BOSQUET, freestone building
2-room apartment, lots of charm,
60 sq.m. architect lay-out. Justified price.
Tel: +33 (0)1 45 67 84 24

Real Estate for Rent

Paris Area Furnished

BERRI CHAMPS ELYSEES
Duplex on garden
130 sq.m. perfect condition.
FF25,000.
MONTAIGNE
High class building
95 sq.m. FF32,000.
PLACE FRANCOIS 1ER (NEAR)
Charming building,
beautiful studio,
45 sq.m. FF10,000.
COREPI TEL: +33 (0)1 45 89 92 52
FAX: +33 (0)1 45 65 44 13

(4th) ILE SAINT LOUIS
VIEW ON SEINE
2 apartments - Very luxuriously furnished
- Double living, 2 bedrooms,
2 baths. Rent: FF25,000 / month.
- Double living, 1 bedroom, 1 bath + shower room. Rent: FF20,000/month.
Tel: +33 (0)1 56 58 01 76

Embassy Service
YOUR REAL ESTATE
AGENT IN PARIS
Tel: +33 (0)1 47.20.30.05

AGENCE CHAMPS ELYSEES
Specialists:
Furnished apartments, 3 months or more or unfurnished, residential areas.
Tel: +33 (0)1 42 25 32 25
Fax: +33 (0)1 45 63 37 09

PLACE DES VOGES (NEAR)
Historical building, beautiful studio on cobblestone and treed courtyard, equipped kitchen, bathroom.
FF5,670 including charges.
COREPI Tel: +33 (0)1 45 89 92 52
Fax: +33 (0)1 45 65 44 13

MONTPARNASSE, 2 rooms, kitchen, calm, charming, heated, lift. FF5,500. Tel: +33 (0)1 47073504 leave message

Switzerland

GENEVA, LUXURY FURNISHED apartments. From studios to 4 bedrooms. Tel: +41 22 735 6320 Fax +41 22 735 2671

Escorts & Guides

BELGRAVIA
ORCHIDS
LONDON - EUROPE
THE FINEST & THE MOST SINCERE 18 - 38+ INTERNATIONAL BEAUTIFUL & ELEGANT STUDENTS SECRETARIES, AIR HOSTESSES & MODELS + AVAILABLE AS YOUR COMPANION
Escort Agency Credit Cards Welcome
TEL: LONDON ++ 44 (0)
0171 589 5237

THE ROYAL PLATINUM SERVICE EXCLUSIVE TOP FASHION MODELS
ATLANTIC
LONDON PARIS NEW YORK
ALL MAJOR CITIES IN EUROPE
++44(0)7000 77 04 11/22/33
USA & CANADA:212 785 1919
INTERNATIONAL ESCORT SERVICE

PARIS
APOLLO ESCORTS
service@apollo-consultants.com
++316-54228-124

INTERNATIONAL ESCORTS
World's First & Most Exclusive Service Models, Beauty Queens, Actresses Entertainers, Hostesses, Secretaries Multilingual Travel Companions "Rated: "Best in New York" by New York Mag. Featured in International News Media & TV Video tapes & Photos available for selection Credit cards accepted.
Hdqtrs: 1-212-765-7896
office@intl-escorts.com
USA & WORLDWIDE

SWITZERLAND-GERMANY-BELGIUM
++31-20-427 28 27
Zurich-Geneva-Basel-Berne-Frankfurt-Mainz-Wiesbaden-Cologne-Bonn-Dusseldorf-Munich-Berlin-Brussels-Antwerp + A: Vienna
LONDON: (0)171-978 6606
COSMOS Escort Agency - Credit Cards

VENUS IN FURS
24HR WORLDWIDE ESCORT SERVICE
LONDON 0171 362 7000
All cards Advance bookings welcome

HIGH SOCIETY
Executive Escort Service
Worldwide
Tel +44 (0) 171 266 1033
07000 4444 76. @high-society.net

ANGELIQUE & FRIENDS
Simply The Best Escort Service
London 24 hrs 0171 586 0059

HEIDI'S HIGH SOCIETY*VIENNA*PARIS
COTE D'AZUR*ZURICH*GENF*MUNICH
International Escort & Travel
Vienna ++43/1/535 41 04 all credit cards

******** EUROCONTACT INT'L ********
Top local & travel service worldwide
PARIS*STOCKHOLM*GENEVA*ZURICH
RIVIERA*BRUSSELS*LONDON*VIENNA
MILAN*ROME*all GERMANY & N.Y.
Escort Service Vienna ++43-1-212 0431

WARSAW MODEL ESCORT
AND TRAVEL SERVICE
Call +48 22 6710848 or +48 602 224145

GLAMOUR INTERNATIONAL
LONDON ESCORT SERVICE
0171 724 0771

"GUYS & DOLLS ESCORT SERVICE"
MILAN*ROME*ITALY*LONDON*PARIS
BENELUX*LUGANO*GERMANY*SPAIN
COTE D'AZUR*SCANDINAVIA*TOKYO
Tel: +39 (0) 335 619 0438 Credit Cards

CHELSEA ESCORT SERVICE
51 Beauchamp Place, London SW1
Tel: 0171-584 6513

GENEVA PRETTY WOMAN
Call 022 / 346 00 69 Escort Agency
LAUSANNE-MONTREUX- BASEL
ZURICH - CREDIT CARDS

MILAN * ROME * PARIS TOP CLASS
Julia escort service +39(0)335.803.0953

SWITZERLAND SWITZERLAND
Diamant Escort Service
7 Days, all Cards
089 / 404 30 13

BEAUTIFUL BRITISH BLOND ESCORT
Service Sophisticated Selective & Cultured. Tel 0171 498 6704

BERLIN - FRANKFURT
"CARISMA ESCORT AGENCY"
Tel: 0041-848 80 70 77 - Credit Cards

BLACK BEAUTY ESCORT SERVICE
Exclusive Elegant Educated & Friendly
London & Heathrow. 01819062261.Cards

EMMANUELLE'S ESCORT SERVICE
** FRENCH SPEAKING **
LONDON only 0171 262 2886 All Cards

FRANKFURT * TOP TEN*
Elegant Escort & Travel Service
Please call 069 - 597 4336

FRANKFURT
Attractive, Tall Travel & Escort Service.
Tel. 0171-625 92 95

HEATHER BEAUTIFUL BLOND private escort service. Kennsington
Tel: 0171 835 1885 or 0171 259 2623.

HIGH LIFE * VIENNA * 24 hrs.
MOST EXCLUSIVE ESCORT SERVICE
VIENNA ++43-1-3675690 all credit cards

JULIETTE (Blond Glamour Model)
Educated Discreet Escort Service
VIP's only. Call 0956 545 922

LONDON: SOPHIE Classical Blonde
Beautiful Mature Escort Service
Discreet companion. Tel: 0958 538 885

*** MADRID GLAMOUR ***
Escort & Guide Service. English.
Before Midnight Tel: 34-1-373.86.38

MORRISON CLUB - VIENNA ESCORT
Service. 5., Rechte Wienzeile 2a
0222/586 86 84

ROTTERDAM WHITE'S
Escort Service. Westzeedijk 94
Rotterdam. Tel: +31 (0) 6 22036030

VALENTINES INTERNATIONAL
VIP Escort Service photos to view central London office 0171 835 0005 all cards

* ZURICH * CAROLINE *
Escort Service
Tel: 01 / 261.49.47

EUROPE

Sinn Fein Present as Ulster Peace Talks Begin

It Could Be the 'Beginning of the End' Of 75-Year Conflict, Adams Declares

By James F. Clarity
New York Times Service

BELFAST — For the first time since Ireland was divided in 1922 into the independent Irish Free State and the British province of Ulster, Sinn Fein, the political wing of the Irish Republican Army, entered formal, broad-based peace negotiations on Monday.

The talks are aimed at ending the sectarian warfare that has killed 3,225 persons in Northern Ireland since 1969. Parties representing Ulster's Protestant majority stayed away from the opening session of the talks, which were attended by the British and Irish governments, and five other political groups.

But David Trimble, head of the Ulster Unionist Party, the largest in the province, said he expected to join the talks "as soon as possible." Other, smaller, Protestant parties were expected to follow him into the negotiations, held on the fifth floor of Castle Buildings, in the Stormont section of Belfast.

"This could be the beginning of the end of conflict on this island," said Gerry Adams, the Sinn Fein president, as he entered the drab office building where the talks convened. "I think the substantive talks will start this afternoon," he said.

Mr. Adams parried reporters' questions about Sinn Fein's relationship with the IRA and the IRA statement last week that it did not consider itself bound by the principles of nonviolence that Mr. Adams had subscribed to for his party.

Sinn Fein was admitted to the talks by the Irish and British governments after a new cease-fire by the IRA, now in its ninth week, was judged genuine by the British Northern Ireland Secretary, Mo Mowlam.

Many experts say they feel the Republicans have, in effect, bombed their way to the negotiating table. Others say that the violence delayed the acceptance of Sinn Fein as negotiating partners.

At noon, as he entered the Castle Buildings, where he had been blocked on previous, histrionic, attempts to join the talks, Mr. Adams was asked about the IRA. He said the guerrillas were a separate organization from Sinn Fein, an assertion he makes regularly although most people, including Catholics, do not believe it is true. He said the timing of the IRA statement, two days after he had promised to adhere to the nonviolence principles, was "unfortunate."

The IRA statement said the guerrillas had "problems" with some of the principles, and restated its position that it would not disarm until a final settlement was agreed. The statement was clearly meant to emphasize that if the IRA dissented from any agreement reached, it would feel justified in resuming its "armed struggle."

Since 1969, the IRA has been responsible for more than half of the killings, which include about 800 policemen and British Army soldiers. To indicate that there was no serious policy split between the two organizations, the IRA urged all Republicans to support Sinn Fein's efforts at the talks.

But the statements drew instant anger from Protestant leaders, including Mr. Trimble, who used it as a reason for delaying their entry to the talks. Mr. Adams said of the Ulster Unionist Party, "If they're not here today, they'll be here tomorrow, or the day after, or the day after that."

Mr. Adams made some remarks in Gaelic, which he studied in prison. But he was careful not to declaim the Republican slogan, *tiochfaidh ar la* or "our day will come," considered belligerent by Protestants and moderate Catholics.

Shortly after Mr. Adams entered Castle Buildings, Mr. Trimble said he wanted to enter the talks "as soon as possible," but wanted to study the negotiating agenda.

Similar statements were issued by two smaller Protestant parties linked to paramilitary groups. But the Reverend Ian Paisley, head of the hard-line Democratic Unionist Party, said he was boycotting the talks and asked their chairman, the former U.S. senator George Mitchell, to disqualify Sinn Fein, on the ground that they were not truly committed to nonviolence.

It was not clear whether Mr. Trimble and his party would face Sinn Fein in the conference room. He was expected to discuss with Mr. Mitchell whether he would be at the table, or in a separate room, with intermediaries moving between his party and Sinn Fein and the others.

Mr. Mitchell was brought into the peace effort two and half years ago, after Britain changed its historic policy of refusing outside help to settle what it considered internal problems. Virtually all parties now feel that the peace effort could not now survive if Mr. Mitchell were to quit.

Paul McErlane/The Associated Press

George Mitchell, former U.S. senator, who leads the Ulster talks.

He has promised to stay on until the end of this round of talks, expected to last until the spring. Mr. Trimble said he was encouraged by a statement issued, in an air of urgency, at 7 A.M. Monday by Prime Ministers Tony Blair of Britain and Bertie Ahern of Ireland.

The statement reassured Protestants that no decisions in the peace talks would be enforced without the consent of majority of the people in Northern Ireland, which is likely to remain Protestant well into the new century.

Norway Seems Set To Oust Labor Party In General Election

Reuters

OSLO — Norwegians appeared to be ending the seven-year rule of the minority Labor Party government Monday as surveys indicated that voters were giving Labor less than the minimum amount of support it had demanded to stay on.

The two final polls of a campaign fought mainly over health and care for the elderly gave Labor 35.7 percent and 34.3 percent of the vote.

Prime Minister Thorbjoern Jagland had said that Labor must match its result in the 1993 election — 36.9 percent — to stay on for the next four-year term.

Opposition leaders were optimistic about the outcome. "I have a good feeling about this election," said Kjell Magne Bondevik, the prime ministerial candidate for the Christian People's Party who would probably form a coalition government if Labor comes up short.

Meanwhile, Carl Hagen, leader of the far-right Progress Party, was furious over an interview Sunday in which France's extreme-rightist leader, Jean-Marie Le Pen, said he hoped the Progress Party would win.

"Le Pen is a loathsome, pure racist whom I want nothing to do with," Mr. Hagen said.

BRIEFLY

EU May Return Envoys to Iran

BRUSSELS — The European Union agreed in principle Monday to send its ambassadors back to Iran, but said it would first discuss their return with Tehran.

EU officials would probably offer proposals for the return of ambassadors to the Iranian government on the fringes of the United Nations General Assembly meeting next week in New York, an EU diplomat said at a gathering of EU foreign ministers in Brussels.

Top diplomats from the 15 EU states were withdrawn from Tehran in April after a German court ruled that Iran's leadership ordered political assassinations in Germany in 1992. *(Reuters)*

France Delays Nazi Gold Plan

PARIS — France will wait for a report on the fate of French Jewish property seized during World War II before deciding what to do with gold seized from the Nazis, the Foreign Ministry said Monday.

Britain, France and the United States proposed at a meeting in Brussels last Friday to use 5.5 tons of Nazi gold they still hold to set up a fund to aid about 350,000 Jewish and Gypsy survivors of the Holocaust and the descendants of Jews and Gypsies who had perished in it.

But the French Foreign Ministry said: "France will determine what to do with its share, 2.2 tons, in light of the work of the Matteoli commission studying the wartime 'seizure of French Jews' belongings.'"

The government appointed Jean Matteoli, a non-Jewish survivor of Nazi death camps, to clarify the status of an undetermined amount of property that was never returned to its rightful owners after the war. The Matteoli commission is to issue a preliminary report at the end of the month. *(Reuters)*

Lawmaker Defects From Tories

LONDON — A Conservative member of Parliament quit Britain's main opposition party Monday, delivering a new blow to colleagues still reeling from their crushing defeat in the general election May 1.

Hugh Dykes, a Conservative lawmaker for 27 years until he was buried by the Labour Party's landslide victory, said he would join the minority Liberal Democrats.

"I have come to the conclusion that the Conservative Party has really damagingly lost its way for years to come," Mr. Dykes announced at his new party's headquarters.

Mr. Dykes's strong pro-European views often put him at odds with the rightward drift of the Conservatives before the election. *(Reuters)*

3 Kurds Killed on Greek Border

ATHENS — Three Iraqi Kurds were killed and 11 were wounded Monday when they walked into a minefield on the Greek-Turkish border.

Greek officials said the Kurds were among a group of 62 people who were attempting to enter Greece illegally across the Evros River on the country's far northeast border.

A statement from the general army staff said two antipersonnel mines exploded, killing the three instantly and "slightly" wounding the others. The remaining 48 were trapped in the minefield until they were led to safety by soldiers. *(Reuters)*

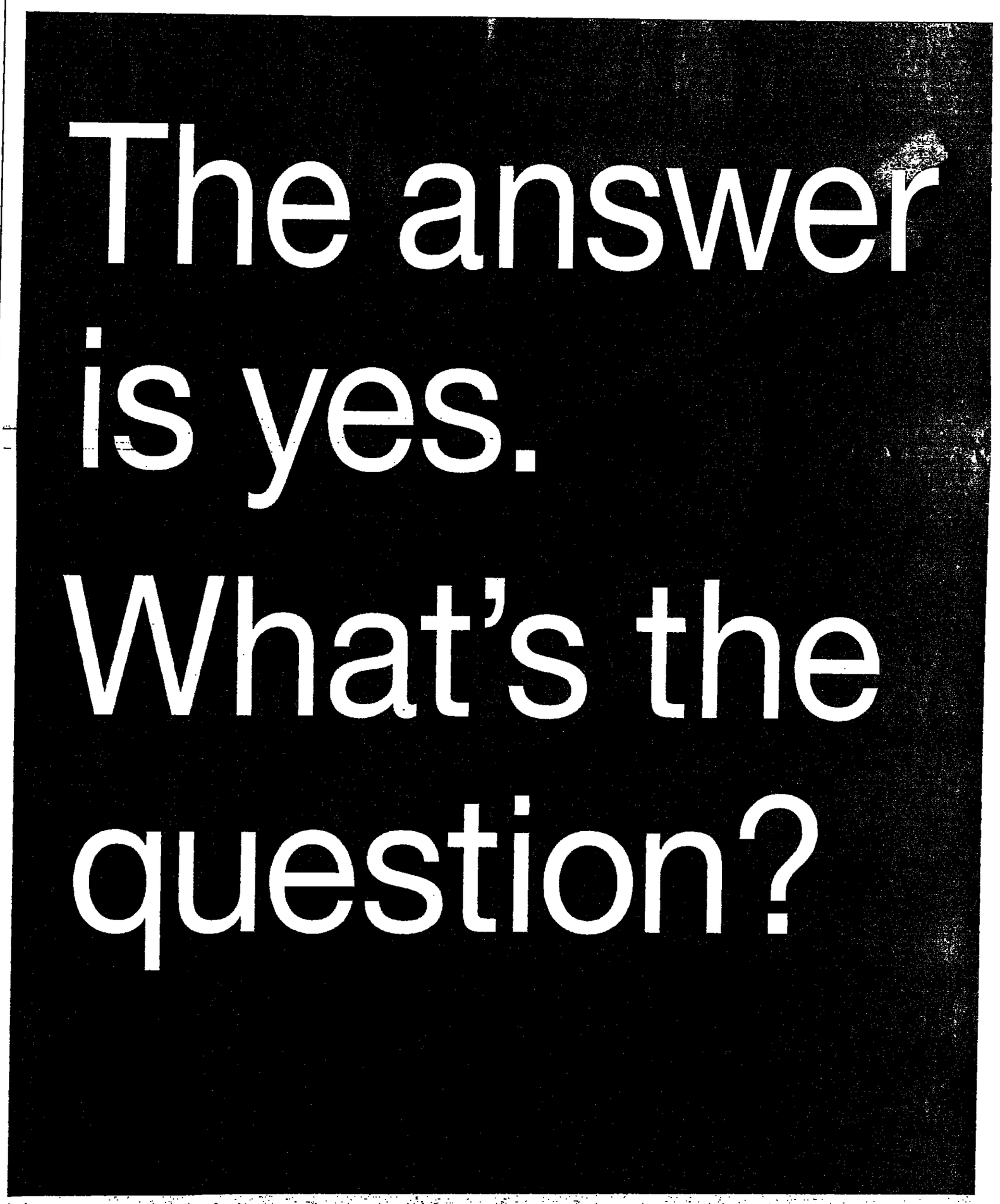
Prodi Warns Italian Separatists

ROME — Prime Minister Romano Prodi on Monday warned the separatist leader Umberto Bossi and his comrades not to break the law in their quest to set up an independent state in northern Italy.

Mr. Prodi heaped scorn upon a weekend of rallies by Mr. Bossi's Northern League, at which he said his self-styled state was ready for action and the Italian flag belonged "in the toilet."

Mr. Prodi said Rome would not tolerate illegal behavior. "The government reaffirms the absolute priority of law and democratic order in the country," he said. "Remember that those who have broken the law are still in jail, and the government has no intention of renouncing its duty to make sure the law is respected." He apparently was referring to a band of separatists who led a siege of Venice's bell tower in May.

Fewer than 1,000 people turned out along the route of Mr. Bossi's march, and the police estimated that the final demonstration in Venice drew 13,000 people — far below the league's estimate of 60,000. *(Reuters)*



Let's talk. BT's proposed merger with MCI will create Concert plc, the first communications company for the world. And the most positive.

Will we operate a truly global network, servicing 43 million customers worldwide? Yes.
Will we provide tailor-made solutions to individual companies' requirements? Yes, yes.
Will we offer 24 hour multilingual customer service? Oui, ja, si.
At BT, there's no such word as no.

BT Global Communications

Call us on +44 1179 217721 (Europe), +61 2 9269 1279 (rest of the world) or visit our website at www.btglobal.com

CONCERT and the BT corporate mark are trade marks of British Telecommunications plc. MCI is a trade mark of MCI Telecommunications Corporation. Concert is the proposed merger of BT and MCI subject to the necessary approvals.

Çırağan Palace Hotel
KEMPINSKI · ISTANBUL
THE PALACE FOR
SUCCESSFUL BUSINESS
IN ISTANBUL
A member of The Leading Hotels of the World

Palace Strongly Denies Rift Over Diana's Rites

Rebuttal Seeks to Stem 'Speculation'

By Youssef M. Ibrahim
New York Times Service

LONDON — Stung by perceptions of insensitivity to the death of Diana, Princess of Wales, and allegations of mishandling her funeral as well as a new drop in popularity for the royal family, a spokesman for Queen Elizabeth II issued a statement on Monday notable for its ferocious denial of "a wave of speculation and inaccurate stories."

The highly detailed palace response zeroed in on multiple allegations widely reported by the British media last week. These included reports of rifts between the royal family and Diana's brother, Earl Spencer, and assertions that the queen was at odds with her son Prince Charles over her insistence on a private funeral for the princess instead of a public funeral.

The statement also said the queen had not opposed flying the princess's body back home in a Royal Air Force plane, nor had she vetoed issuing a new set of stamps to commemorate the princess.

"In the aftermath of the tragic death of the Princess of Wales there has been a wave of speculation and inaccurate stories about the events leading up to, and subsequent to, the funeral," the palace said. "These stories need to be corrected."

Among other things, Buckingham Palace said that "while there were some minor differences over points of detail" of the funeral, which was witnessed by millions around the world and perhaps as many as 2 million people in London, they were "swiftly and amicably resolved."

Media reports, particularly on Channel Four News by a highly respected anchorman, John Snow, said Charles and the queen's private secretary, Sir Robert Fellowes, exchanged sharp words, with Charles reportedly telling Sir Robert to "impale himself on his own flagstaff."

Quoting what he described as "highly placed" sources in the palace, Mr. Snow asserted the two men had argued over the queen's desire to keep the funeral private and Charles's insistence on a public funeral for Diana.

The reference to the flagstaff relates to the queen's initial resistance to having her flag fly at half-staff over Buckingham Palace. Tradition dictates no flag flies over the palace when the queen is not there, and at the time of Diana's death the queen was at her Scottish estate of Balmoral. Eventually, the palace yielded to public pressure and raised a flag to half-staff in mourning for Diana, even though the queen only returned to London a day before the funeral, which took place Sept. 6. The flag remained at half-staff for another half day after the queen returned to Scotland.

Channel Four also reported that the two families had argued about who would walk behind the coffin until an hour before the funeral began and that the queen had wanted the princess's body not to rest in a royal palace or a church.

"These stories," a spokesman for the queen asserted, were "the direct opposite of the truth." The palace statement went on to add, "stories of disputes between the royal family and the Spencer family are false."

But Mr. Snow, the anchorman, asserted again Monday that he stood by his account of rifts within the palace.

"I am satisfied beyond any peradventure that the story was accurate specifically where it related to the clash between Charles's staff and Sir Robert Fellowes," Mr. Snow said.

What is not in dispute is that the shock waves in the aftermath of the princess's death are forcing a sea change in the way the royal family will be dealing with future events. Most important is what appears to be an acute sensitivity in royal circles of the overwhelming public perception that the palace has become too remote, with the outpouring of sentiment over Diana coming as a stunning surprise to the palace.

Virtually all Sunday newspapers reported new polls that showed a great majority of Britons in favor of the queen abdicating on her 75th birthday in favor of Charles. A substantial number of people also seemed to want 15-year-old Prince William to become king rather than Charles.

Srdjan Suki/Agence France-Presse

The Croatian and Yugoslav foreign ministers, Mate Granic, left, and Milan Milutinovic, signing pacts Monday in Belgrade to improve ties. They covered border crossings, road and rail traffic, social security and legal aid.

Mir's Creaky Computer Fixed Again

Compiled by Our Staff From Dispatches

MOSCOW — The three-man crew aboard the Russian space station Mir managed to repair the main computer Monday after its failure once again caused the craft to lose its orientation on the sun and spin chaotically.

"The work is completed; the computer is assembled," Viktor Blagov, deputy flight director at Mission Control outside Moscow, said at a news conference. "The first checks gave a positive result."

But he added that further tests would be necessary before the crew — two Russians and an American — could be completely sure it was functioning properly.

The latest snag marked the fourth time that Mir's computer has shut down since July. The crew members have not been in danger, but the recurring problem adds to the larger concerns about Mir's safety after 11 years in space.

Two of the three units on the Mir's main computer began acting up Sunday afternoon, and the crew turned off the entire computer, Mr. Blagov said. The team then had to turn off most operating systems, including the oxygen-generating unit.

Mission Control officials said that the latest computer failure was similar to one last week.

Then the cosmonauts — the commander, Anatoli Solovyov, a NASA physicist, Michael Foale, and the flight engineer, Pavel Vinogradov — fixed the computer in about 24 hours. But this time it has taken longer.

Mission Control said a replacement computer and system parts were now aboard Mir. A completely new computer will be sent up with a Progress cargo ship that is to be launched in October.

Earlier on Monday, Mr. Blagov said the gyrodines, switched off after the computer failed, would be turned back on by Wednesday. The gyrodines provide stable alignment of the station with the sun, allowing it to soak up the maximum amount of solar rays to produce electricity.

After the malfunction, the cosmonauts had to switch off or reduce power to most of Mir's systems.

The power has been turned back on in only two of the Mir's modules as the crew sought to conserve energy in case the computer problem reappeared.

The crew has a two-month supply of oxygen canisters, which are used when the oxygen-generating system goes down.

The U.S. space shuttle Atlantis is set to blast off Sept. 25 for a docking with the Mir. The space shuttle will ferry up crucial supplies and repair gear, including a sealant for holes in the fractured hull of the Spektr module.

Mr. Blagov said cash problems of Russia's space industry could be behind the malfunctions.

"The main computer was made up of two computers back in 1995," he said. *(AP, Reuters)*

Monitors Hail Bosnian Vote As Milestone On Peace Path

By Lee Hockstader
Washington Post Service

SARAJEVO, Bosnia-Herzegovina — Western officials are proclaiming the weekend municipal elections in Bosnia a success and a major milestone in the country's tortuous peace process, which many voters hope will help reverse the effects of the "ethnic cleansing" during the 3½-year Bosnian war.

"The nationalists, the undemocratic forces, the war criminals — they have all resisted this process," said David Foley, spokesman for the Organization for Security and Cooperation in Europe, which organized the vote and is paying its $50 million price tag.

"To those who say there is no progress in Bosnia and Herzegovina, to those who say ethnic divisions are as deep as ever, today the people of Bosnia have given their answer, and they say: 'Think again.'"

But the officials acknowledged that putting into effect the results of the elections, which could shift control of a dozen or more town councils from one ethnic group to another, would be difficult.

And the ultimate goal of many Bosnian voters — returning to homes from which they were driven by rival nationalist forces and which are now occupied by refugees of another group — could take months or years, if it happens at all.

"You cannot expect to completely take this country back to where it was before the war; that's an illusion," said Robert Frowick, the retired U.S. diplomat who is head of the security organization's mission here. "We have to have a rule of reason as to what we can do with just diplomatic instruments."

Officials said more than 70 percent of Bosnia's 2.5 million registered voters went to the polls Saturday and Sunday to choose municipal councils.

Counting and transporting the ballots from 136 municipalities and 6 precincts in the divided southern city of Mostar will take place under extraordinarily tight supervision by European monitors. The results of the vote, the first local elections in Bosnia since 1990, will not be known for at least a week.

But preliminary results trickled in Monday. They indicated that an opposition coalition was headed for a decisive victory in the northeast town of Tuzla, in the Muslim-Croat federation, officials of the security organization said.

Thousands of people returned to vote in the towns they fled during the three-way factional conflict, and additional tens of thousands of refugees cast absentee ballots for town councils in their former home areas.

Croats are expected to lose control of councils in several towns in western Bosnia that they seized from Serbs in 1995 during the closing stages of the war. Serbs fear losing council majorities in eastern Bosnian towns that had large prewar populations of Muslims.

■ International Pressure on U.S.

The United States came under renewed pressure Monday to agree to extend its military presence in Bosnia-Herzegovina beyond mid-1998, Reuters reported from Brussels.

President Bill Clinton has promised the U.S. Congress that the NATO-led Stabilization Force will be withdrawn next summer. But both Britain and Denmark signaled Monday that they were in favor of keeping troops in Bosnia beyond July to help guarantee the fragile peace process.

The British foreign secretary, Robin Cook, made it clear, however, that Britain would stay only if the United States remained, too.

In Sarajevo on Sunday, Robert Frowick, head of the Bosnia mission of the Organization for Security and Cooperation in Europe said that it was essential for the international community to maintain a presence indefinitely.

"And I would say that includes a significant and credible commitment by the U.S. especially," he said.

Under French Law, al Fayed Straddles Difficult Legal Position

By Craig R. Whitney
New York Times Service

PARIS — Consider the legal position of Mohamed al Fayed. He is the owner of the Ritz Hotel; employer of Henri Paul, the driver in the crash that killed Diana, Princess of Wales, and father of Diana's escort on the fatal ride.

Under French law, his lawyers stand alongside the prosecutors, pressing the investigation of photographers who were chasing the princess's car when it crashed two weeks ago.

But now, after three separate blood tests, it seems beyond doubt that the driver, Mr. Paul, was drunk and under the influence of drugs used to counter depression and the effects of alcoholism. So, the focus of the investigation may quickly shift, and Mr. al Fayed's strategy has shifted, too.

Last week, Mr. al Fayed's lawyer, Bernard Dartevelle, hinted at a new legal position: primary responsibility for the crash still lies with the photographers, but perhaps there was also "secondary responsibility" on Mr. Paul's part. But even if that were so, no fault lies with the hotel.

"Mr. Paul should never have got behind the wheel," Mr. Dartevelle said. "But at the end of the day, he was the only one who knew what condition he was actually in."

The quick shift of strategies illustrates the subtlety of French law, which is still based on the Napoleonic Code, and how it is likely to influence the progress of the case. Victims and their representatives can become parties to an investigation, but the prosecuting authorities are especially powerful in determining the outcome of the case. As the father of Diana's escort, Dodi, Mr. al Fayed was entitled to become a civil party to the criminal investigation of two French investigating judges into the actions of nine photographers and a motorcycle driver.

French law gives investigating judges almost unlimited scope within the context of an investigation to follow the facts wherever the fault seems to lie. And the law gives other people who have suffered from the accident — the family of the injured British bodyguard, for instance — the same ability to push for criminal prosecution that Mr. al Fayed had.

Investigating judges can interrogate people at the Ritz about why they allowed Henri Paul to drive a car the hotel had rented that night, and name them as suspects.

Only by becoming civil parties to the proceedings can any injured parties eventually hope to collect damages from those responsible; thus, Diana's sisters and the bodyguard's family are civil parties, just like Mr. al Fayed.

This complicated system could eventually pit the civil parties against one another. Last week, lawyers for Mr. al Fayed and for the photographers said investigators were swarming over a possible new target: the management and staff of Mr. al Fayed's Ritz Hotel.

French law, lawyers say, exposes the Ritz to the risk of criminal prosecution for negligence if it knowingly allowed Mr. Paul, the hotel's assistant security director, to take the wheel not only drunk but also unqualified to drive the rented Mercedes S-280 limousine that night. According to the Paris police, Mr. Paul did not have a limousine chauffeur's license.

"The driver is dead, and so under French law he can't be charged with being criminally responsible for their deaths," said Aram Kevorkian, an American lawyer with a long-standing practice in France. "But the investigating judges are free to interrogate people at the Ritz about why they allowed him to drive a car the hotel had hired from a rental agency that night, and name them as suspects in an investigation if they see fit."

In theory, Diana's two sons, Prince Harry and Prince William, and the bodyguard working for the al Fayeds who was badly injured in the crash, Trevor Rees-Jones, could also sue the Ritz and its officers.

Whether Mr. al Fayed, an Egyptian citizen who lives in London, could risk prosecution or an expensive lawsuit seems doubtful, legal experts say. The Ritz is owned by a London corporation. Mr. al Fayed is listed as a director but not an officer, and lawyers say that only the corporation and its officers can be criminally charged or sued under French law.

The lawyer, Mr. Dartevelle, said the Ritz and Mr. al Fayed were fully covered by liability insurance, and all liability policies in France, by law, have unlimited coverage.

The investigating judges in the case, Herve Stephan and Marie-Christine Devidal, can place suspects under investigation and charge them with specific crimes or free them of suspicion.

They have placed nine photographers and a motorcycle driver who was working with one of them under investigation, all on suspicion of the crimes of contributing to the causes of the crash by recklessly pursuing the Mercedes and of failing to summon aid or impeding the actions of emergency crews.

If the judges decide to prosecute, they will define the charges at the end of their investigation, which is expected to take months.

"The whole system is biased toward the authorities who accuse suspects, not to the presumption of innocence," Mr. Kevorkian said.

Mr. Stephan, who initially was working alone, was given the police reports after the initial police interviews and began interviewing the suspects. By the evening of Sept. 2, Mr. Stephan had opened a formal criminal investigation against six photographers and the motorcycle driver. By Sept. 5, Madame Devidal had joined him in the case.

One charge in the investigation is involuntary homicide, defined as "causing by clumsiness, imprudence, lack of attention, negligence or by failure to observe legal safety requirements the death of another" and punishable by up to three years in prison and a $50,000 fine.

The other is deliberate failure to come to the aid of a person in peril or deliberate failure to call for help, punishable by up to five years in prison and an $83,000 fine.

All of the photographers at the scene said they had not impeded doctors or rescue workers at the scene. Initial police reports told a different story, however. The French code leaves it up to the investigating judges, initially, to determine whom to believe.

French law allows companies and their officers to be charged with crimes and sued, but Mr. Kevorkian and other lawyers here say officers are more often charged than corporations are.

Lawyers say they believed that the Ritz Hotel might have more to worry about from a civil suit for damages than from criminal prosecution.

In practical terms, that probably would mean pursuing an insurance settlement. But, according to Mr. Kevorkian, "damage awards are not very high in France, almost always less than a million dollars."

In any case, nobody would be in a position to sue for damages under French law without bringing a complaint and becoming a civil party to the criminal proceedings.

The lawyers for those who have become civil parties to the proceedings are entitled to see investigation files as the case develops. Attorneys for the defendants have the same right.

If any of the criminal charges mentioned are brought against any defendants, they would be misdemeanors, not felonies, under French law.

The trial would take place in the Correctional Court, without a jury, before a panel of three judges, all of them ready to give the benefit of the doubt to the case made by the investigating judge.

Monitors Hail Bosnian Vote As Milestone On Peace Path

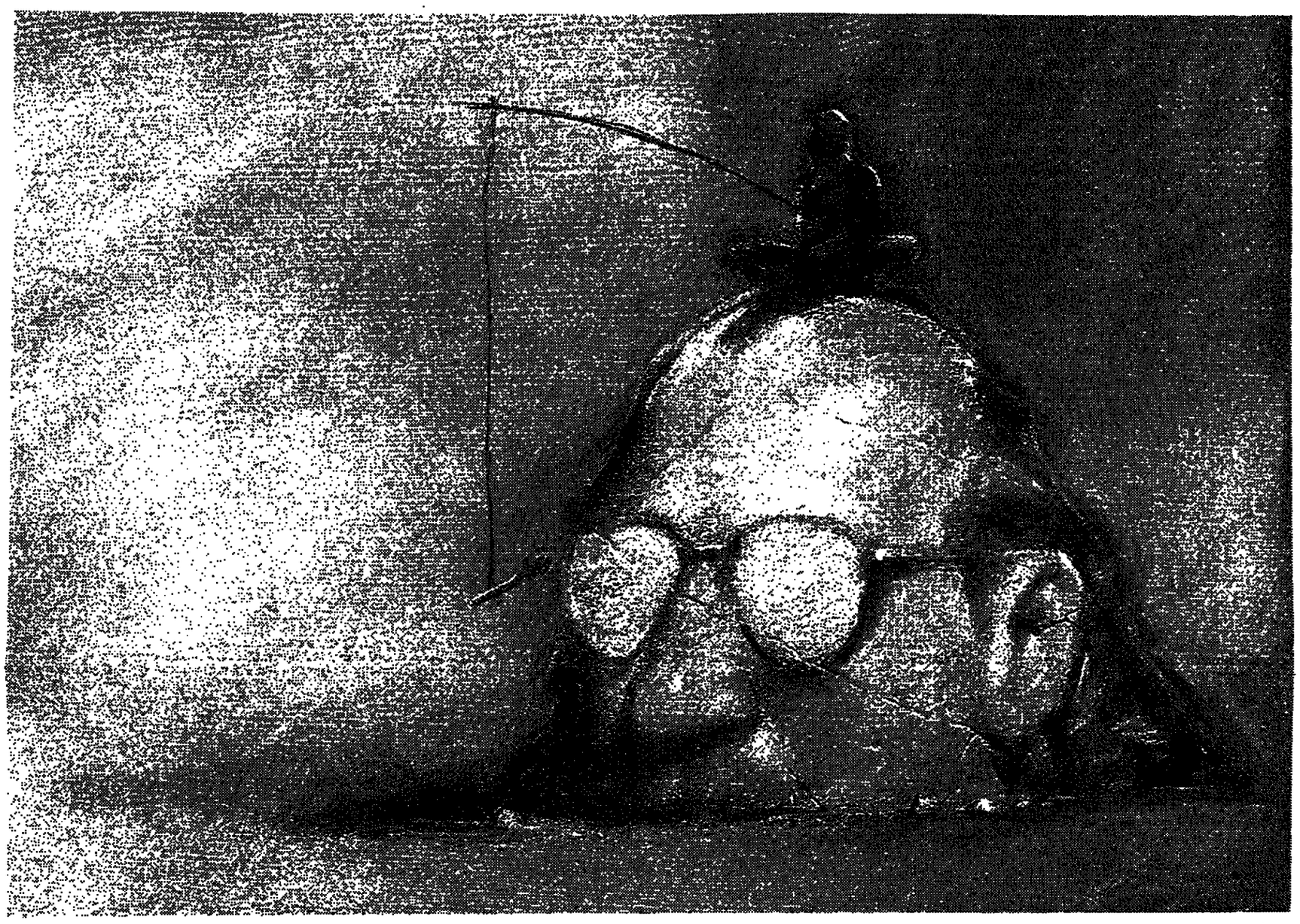
PhotoPoint has potential to selectively target a range of abnormal tissues in the body, such as diseases like cancer or retinal abnormalities.

In clinical studies, the PhotoPoint drug is injected and is subsequently retained by target cells. It remains inactive until exposed to a specific wavelength of non-thermal red light.

Light is directed at the target area. A small diode-based system generates the light, and special devices deliver it within the body or on its surface.

Targeted cells are destroyed by an interaction between the drug and the light, with minimal known side effects. PhotoPoint, now in clinical trials, is being developed as an outpatient procedure.

WE DON'T EXPECT A CORPORATE NAME CHANGE TO GET THE ATTENTION OF INVESTORS. WOULD A BREAKTHROUGH IN MEDICAL TECHNOLOGY SUFFICE?



For the record, PDT Inc. will henceforth be known as Miravant. But since you never heard of us to begin with, that's no big news.

But here's why you just might be hearing a lot about us from now on.

We're developing a medical procedure that uses light-activated drugs to destroy targeted cells with minimal damage to surrounding normal tissues.

This has potential application for a wide range of medical conditions, from cancers to eye diseases, and is currently being tested in preclinical and clinical studies in the U.S. and internationally.

It's a more highly-evolved version of a discipline known in medical circles as *photodynamic therapy*. But our approach is so advanced we're branding it under a different name. (More about that later.)

To begin with, our procedure uses proprietary synthetic drugs because they have the potential to be precise and controllable. Our patents cover broad *classes* of compounds.

We are synthesizing these drugs to react to a low-power red light that is ideally suited for penetrating body tissue. We are also developing light-producing devices designed to be compact and affordable, yet allow for precise control through sophisticated software.

Next, through years of research we've gained a unique expertise in *dosimetry*, determining the amount of drug to administer, the time needed for the drug to achieve optimal concentration in diseased or target cells, and how to control the intensity and duration of light.

This in turn may offer the physician considerable selectivity in the application of the treatment.

Finally, we have forged strategic alliances with some of the most respected names in the medical industry.

We plan to market this procedure under the brand name PhotoPoint.™ We will work aggressively with our corporate partners to create a sharply-focused brand identity for PhotoPoint among the medical and patient community. Through these efforts, we look for PhotoPoint to become synonymous with the highest standard of control in photoselective procedures.

No business plan can guarantee success, of course, and drug approval is a challenging process. But we think our strategy of pursuing multiple revenue streams and strategic alliances that provide a path to market will position us to become a leader in a whole new field of medicine.

You'll be reading a lot more about Miravant in the months to come. But if you don't want to wait, visit our website at www.miravant.com, or call toll-free our investor relations department at 888-685-6788.

Learn more about PhotoPoint™ and Miravant at www.miravant.com, or call toll-free at 888-685-6788. The company's products require regulatory approval before marketing.

MIRAVANT
MEDICAL TECHNOLOGIES

BALLY

No Sign of Any Survivors Off Namibia After Loss of German and U.S. Planes

Compiled by Our Staff From Dispatches

WINDHOEK, Namibia — A German and a U.S. military plane probably collided over the South Atlantic off Namibia, and there were no signs that any of the 33 persons aboard survived, officials said Monday.

"There's a great probability there might have been a midair collision," Germany's air force transport chief, General Gerhard Back, said at a news conference in Windhoek, Namibia's capital.

A German Tupolev-154 with 24 persons aboard was on its way from Bonn to South Africa for a naval ceremony when it disappeared Saturday. U.S. Air Force officials said that a U.S. C-141 transport plane carrying nine persons and the German craft had probably collided.

In Bonn, a Defense Ministry spokesman said that a Namibian ship appeared to have discovered the site where aircraft plunged into the ocean.

The ship's crew had discovered a large pool of oil off the west African coast, and a strong smell of kerosene was present in the air, the ministry said.

A spokesman said that a Namibian fisheries protection vessel had made the discovery close to an area where rescuers searching for the TU-154 had earlier recovered part of an aircraft seat and some German papers.

"There is a strong presumption that this is the spot where the TU-154 crashed," the spokesman said.

George Nielsen, captain of the fisheries research vessel Tobias Hainyeko, said that no survivors had been sighted.

Mr. Nielsen said his crew had recovered debris, including "one piece like a door, and one flap or a part of a wing."

Numbers and lettering on the wreckage and on papers found indicated that it was a German plane, he said.

The Soviet-built Tupolev was designed to fly Erich Honecker, the former East German leader, around the globe.

It was taking 12 marines to Cape Town for a naval regatta. Ten crew members and the wives of two of them were also aboard.

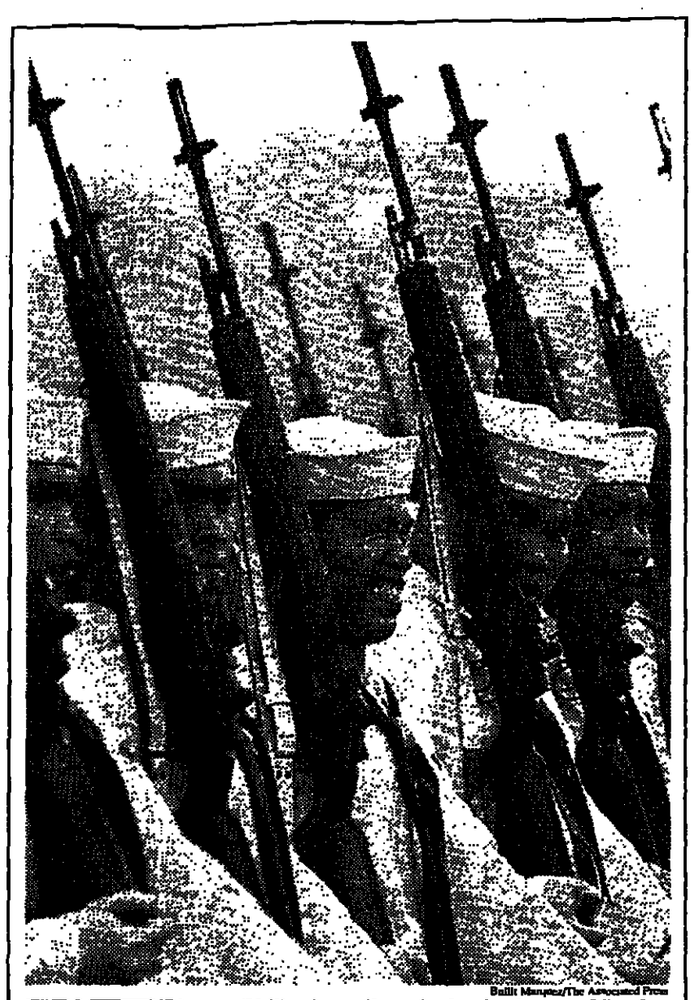
U.S. officials said that a collision seemed the most likely explanation for the disappearance of the two planes, one traveling south and the other west.

"We were able to put together the two aircrafts' flight plans and in fact start searching in the vicinity of where those flight plans intersected," said Major General Greg Gile, director of operations at the U.S. Atlantic Command.

The South African Air Force said that a satellite had registered a flash on Saturday that might have been a collision in a remote area with little traffic, in apparently middling weather.

Namibian air traffic control said it had not been informed that the German aircraft was about to enter its airspace, because no departure signal was received and no flight plan communicated from its last fuel stop in Niamey, Niger.

It was believed to be the second worst air disaster for German military forces since World War II. Forty-two were killed when a transport plane crashed in Crete in 1975. *(Reuters, AFP)*



Bullit Marquez/The Associated Press

EYES WHERE? — A Philippine sailor wincing in the rain Monday during a parade for the departing defense minister, Renato de Villa, who has resigned to run for president in next year's general elections.

GERMANY: *Election Stokes Euro Debate*

Continued from Page 1

Like Mr. Voscherau, two of the leading politicians who have taken their distance from the euro face regional ballots before the national elections.

Gerhard Schroeder, who is regarded as the possible Social Democratic candidate for chancellor with the best chances of beating Mr. Kohl, must first show his vote-getting skills as the incumbent minister-president of the state of Lower Saxony. He appears to believe that resistance to the euro will help. As does Edmund Stoiber, who is seeking to return to power in Bavaria with the Christian Social Union, the sister party of Mr. Kohl's Christian Democratic Union.

Within the chancellor's party, Kurt Biedenkopf, who seems to take particular pleasure in needling Mr. Kohl from his post at the head of the state of Saxony, the richest in the former East Germany, has offered a plan that would allow a kind of test run for the euro.

Mr. Voscherau and his counterparts have been legitimized to a large extent by the obvious lack of enthusiasm for the new currency of Hans Tietmeyer, the theoretically apolitical president of the Bundesbank, who has consistently succeeded in indicating his reluctance without making it explicit.

The authority and respectability of this group, at its most effective, continues to encourage debate on a significant and sensitive subject while Mr. Kohl and other European leaders, including Jacques Santer, president of the European Commission, insist the debate is over, or somehow irresponsible and anti-European.

But at its worst, the partly completed debate, the nudges and references to German burdens, have fed a sense of German victimization that is easily sustained in combination with the country's high unemployment figures and the widely acknowledged political standstill in Bonn.

One of Mr. Voscherau's opponents, Frank Micheal Wiegand of the Free Democratic Party, has picked up on this connection, accusing Mr. Voscherau of fishing for votes in extreme rightist waters with his position on the euro. Campaigning on Mr. Wiegand's behalf in Hamburg, Foreign Minister Klaus Kinkel of the Free Democrats said he thought Mr. Voscherau was a "reasonable man" — probably meaning his party could serve in a state coalition with the Social Democrats — but added, "I just don't understand why he's leading this destabilization campaign against the euro."

In fact, Mr. Voscherau's platform has a strong law-and-order element that appears to reflect the populist aura associated with Mr. Schroeder, who has been criticized angrily by the Social Democrats' left wing for remarks it regarded as being insensitive to immigrants.

Mr. Voscherau has criticized the courts for turning certain violent criminals back into society and for giving lighter sentences for violent-crime than for white collar misdemeanors. He has also talked about better unified and controlled immigration policies, a line that seems to go with his election posters around the city that show him in shirtsleeves, arms folded, seemingly signaling more steadfastness than compassion.

In an interview with the Frankfurter Allgemeine Zeitung over the weekend, Mr. Voscherau — who besides his mayoral post here and his seat in the Bundesrat, the upper house of Parliament in Bonn, has served as national finance policy coordinator for the Social Democrats and the party's negotiator on a tax overhaul — said he thought reforming the European Union should have had priority over advancing a common currency. His vision for the near future was one of a United States of Europe with a real federal character and common foreign and constitutional policy.

If you did not share that view — and actually combated it, he said, without pointing in any particular direction — then Mr. Voscherau did not want to share a common currency with you. A ruined European currency, he said, would kill European union.

A survey published Sunday by the Infratest polling group, gave the Social Democrats 39 percent of Hamburg's voters, the Christian Democrats 30 percent and the Greens 15 percent. The Free Democrats and the extreme right German People's Union each had 4 percent.

An outcome along these lines meant Mr. Voscherau, bending to the will of the party rank-and-file, would have to consider a coalition with the Greens. This would pre-figure the formula that is often described as best suited for bringing the Social Democrats to the chancellor's office in 1998.

MINES: *U.S. Version of Treaty Banning Devices Fails to Find Support at Oslo Conference*

Continued from Page 1

involved in an act of aggression as defined by the United Nations Charter.

But the UN has never defined an act of aggression, diplomats here said, and Mr. Lysyshyn asserted that the effect of the U.S. proposal would be that land mines would be banned except in war, which would be the only time they are used.

The United States is also seeking to amend the definition of anti-personnel land mines in such a manner that it would be allowed to use them with anti-tank mines. While the treaty would not ban anti-tank mines, it would ban using anti-personnel mines with them.

■ The Princess Diana Factor

David E. Sanger of The New York Times reported earlier from Washington:

Until Sunday, the United States had said it could not sign any treaty that limited its ability to use anti-personnel mines to defend South Korea from an attack from the North.

But Washington has been under strong political pressure from many allies to change that stance so that the first international treaty requiring signing nations to stop deploying mines — and to clean up those in the ground within 10 years — would also include the world's largest military power.

The political pressure grew, U.S. officials acknowledged, after the death two weeks ago of Diana, Princess of Wales, drew broader attention to the land-mine treaty, whose cause she had taken up. Photos of Diana with land-mine victims in Bosnia were regularly shown during the days of mourning for her.

But U.S. officials warned that before they could initial the treaty this week in Oslo, the United States would insist on two significant modifications.

The first, which a senior administration official conceded was encountering strong resistance, would permit the United States to deploy, in times of conflict, anti-tank mines that are ringed by anti-personnel mines to keep enemy soldiers from removing or destroying the anti-tank mines. Because those mines blow themselves up several days after they are deployed, the United States argues that they would not pose the kind of continuing danger to children and farmers that are a constant source of injury and death in such countries as Cambodia.

The arsenals of European countries include similar combination mines, but in their version, the anti-personnel explosives to defend the anti-tank mine are integrated into the rest of the weapon.

The administration is also insisting, officials said, that the treaty include a clause that would allow countries to withdraw from the accord if they are victims of aggression, after a six-month waiting period. The current wording of the treaty does not allow signers to withdraw during a conflict.

Other treaties — including the START nuclear weapons accords, the Chemical Weapons Treaty approved by the U.S. Senate this year and the treaty to prevent the spread of nuclear weapons — do not restrict the right to withdraw.

"We think that we have made a very major change in our position in order to smooth the way for an anti-land-mine treaty that the United States can sign," a senior White House official said Sunday after two days of intensive talks that involved the Joint Chiefs of Staff; Secretary of State Madeleine Albright, who has been traveling in the Middle East, and President Bill Clinton's national security adviser, Samuel Berger.

The Pentagon initially opposed even joining the talks in Oslo, chiefly because it views the land-mine defense along the Demilitarized Zone in Korea as the main deterrent to another Korean war.

CHINA: *Plea on Crackdown*

Continued from Page 1

past statements on the events of 1989.

Party officials who were close to Mr. Zhao declared that the letter was authentic.

The timing of the letter coincides with the 15th Communist Party congress, an event held every five years to map out policies of China's ruling party.

It is dated the same day as the speech by the president and party chief, Jiang Zemin, who replaced Mr. Zhao.

Mr. Zhao, who held top posts in Sichuan and Guangdong provinces before serving as national party general secretary, was relatively liberal in political and economic matters. He was the second of three people tapped to succeed Deng Xiaoping.

Mr. Zhao, now 77, was last seen in public on May 19, 1989, when he visited student demonstrators in Tiananmen Square and tearfully pleaded with them to leave the square.

Though eight years have passed since Mr. Zhao's ouster, the Chinese government appears to remain concerned that he might pose a political threat either to the party or to the current set of leaders.

Since 1989, Mr. Zhao has been kept under a loose form of house arrest, occasionally allowed to make a trip out of Beijing or to play a round of golf. Even his request to attend Mr. Deng's funeral in February was rejected, however.

Though Mr. Zhao lost his party posts, he is still a party member. His chief aide, Bao Tongs, served eight years in prison and is still closely watched after being evicted from his Beijing apartment.

The topic of reassessing the crackdown on Tiananmen Square protesters has been one of the most sensitive in Chinese politics because China's long-time reform era leader, Mr. Deng, is believed to have ordered army troops to oust students and their supporters from the square. Since Mr. Deng is now dead, it might be easier to open the issue.

"Everyone knows that the majority of the students' demands at that time were to punish corruption and promote political reform and not overthrow the Communist Party or subvert the republic," Mr. Zhao wrote.

He said he still believes that the Communist Party should have negotiated with the students and accepted their reasonable demands. "Not only would the effects of bloodshed have been avoided, but a new form of dialogue would have been established between the government and the people, thus promoting political reform," the letter added.

Air Force Grounds 'Stealth' Fighters Following Crash

Reuters

WASHINGTON — The U.S. Air Force on Monday temporarily grounded its fleet of F-117A "stealth" fighters following the crash of one of the planes in suburban Baltimore on Sunday.

"There's a stand down of routine flying operations at least through today," said Captain Keri Humphrey, an air force spokeswoman.

The action came after an F-117A stealth fighter broke up and crashed into three buildings during an air show.

Major Bryan Knight, an instructor pilot based at Holloman Air Force Base, New Mexico, parachuted safely from the $45 million plane and was taken to Andrews Air Force Base near Washington for observation.

Four people on the ground — one man and three women — suffered minor injuries after pieces of the aircraft plunged onto houses, said Steve Gisriel, a captain with Baltimore County's fire department.

An air force statement said there was no indication that whatever caused the crash of Major Knight's plane would affect any other any other F-117s, which are flown by the Holloman-based 49th Fighter Wing.

"However, to confirm this, the 49th Fighter Wing has implemented a precautionary stand down from routine flying operations at least through Monday," the statement said.

It said the grounding "will allow air force and manufacturer maintenance specialists to assess presently available information and validate that routine flying operations can resume."

Military officials located the flight data recorder from the destroyed aircraft after closing off the area around the crash site and combing the area for debris.

Amateur video showed parts of the plane breaking off as it started to climb after flying level over the airfield. It was en route to Langley Air Force Base in Virginia from Syracuse, New York, where it appeared in an air show on Saturday.

The plane then tumbled and rolled, trailing smoke and other material, the video showed. A sharp explosion marked the pilot's ejection and the plane tumbled straight to the ground. Witnesses said part of the aircraft's tail fell off in flight.

JOBS: *Will Thai Collapse Spark Reaction Across Southeast Asia?*

Continued from Page 1

now unemployed. Thailand has a population of about 60 million people.

But economists said that official unemployment figures for Thailand, Indonesia (2.2 percent) and even the Philippines (8.4 percent) underestimate the extent of the problem and do not take account of a much larger pool of people who work part-time because they cannot find full-time jobs.

In an assessment of the potential social and political impact of economic dislocation in Southeast Asia, the International Institute for Strategic Studies in London said this month that rapid growth had both created and masked social tensions.

"Despite enormous achievements in alleviating poverty, Southeast Asia is widely considered by its residents to be a deeply unequal place," the institute said in a report. "There is widespread resentment of a perceived 'wealth gap' between the plutocratic few who have made fortunes and the disadvantaged many who have not. To some extent, the fact that everybody was getting richer eased these tensions."

For more than a year, Indonesia — the world's fourth most populous nation with 190 million people — has been troubled by periodic riots that appeared to be triggered by religious or ethnic conflicts. But many analysts there said the roots of the unrest were buried in the wide gap between rich and poor.

Similar glaring inequities exist in the Philippines and Thailand, which the institute said is "by most measures the region's most unequal country."

It said that the risk of political instability was greatest in Thailand, where financial collapse has coincided with bitter controversy over moves to reform the constitution to eradicate corruption and money politics.

Social and political risks are rising in Southeast Asia, said David Roche, managing director of Independent Strategy, a global investment consultancy in London. "The problem is that reductions in living standards of between 10 percent and 25 percent are not something that politicians can easily sell to their relatively poor populations," he said.

Singapore's Business Times newspaper said in a recent editorial that even optimists about Southeast Asia "acknowledge that Thailand has to go through a major financial and real estate shakeout," which could involve thousands of bankruptcies and layoffs running into the hundreds of thousands.

As investors in Thailand became increasingly worried in the past year about economic mismanagement that led to excessive property investment and build-up of loans by banks and finance firms that could not be repaid, they sold Thai stocks and its currency, the baht.

When the country's reserves dwindled to dangerously low levels, the government had to devalue the currency, on July 2, which caused turmoil in other Southeast Asian foreign exchange markets, forcing the Philippines and Indonesia to devalue as well.

Thailand negotiated a $17.2 billion international rescue package. In return, the government agreed to a series of austerity measures. The IMF required the Thais to further tighten fiscal and monetary policy and balance the budget by cutting spending, raising revenues and increasing the value-added tax.

The workers, mostly from factories and state enterprises, who protested in Bangkok on Saturday threatened to bring "hundreds of thousands of laborers to the streets" if the government did not heed their demands.

Booker Prize Odds Favor Irish Writer

Reuters

LONDON — The Northern Irish writer Bernard MacLaverty was made the favorite Monday to win the Booker Prize, Britain's leading literary award.

But bookmakers said after the nominations were announced that the race was wide open. The judges caused a major surprise by omitting "Enduring Loves," the latest best-seller by Ian McEwan.

The judges, who are to announce the winner of the £20,000 ($32,000) award on Oct. 14, picked six from 106 entries from Britain, Ireland and Commonwealth countries.

Mr. MacLaverty was favorite for "Grace Notes," the tale of an up and coming composer. Second favorite was Jim Grace for "Quarantine," the tale of Jesus' 40 days and nights in the wilderness. Third favorite was an Indian writer, Arundhati Roy, for "The God of Small Things."

The others selected were a first-time novelist, Mick Jackson; the Italy-based Tim Parks, and an Australian, Madelaine St. John.

PRIVACY: *Detectives Turn to Cyberspace*

Continued from Page 1

and present neighbors, even the number of bedrooms in a house she had inherited, her welfare history, and the work histories of her children's fathers.

And his investigation unearthed two delinquent traffic tickets, which the investigator then used to threaten her with arrest if she did not provide — or fabricate — damaging information about lawyers in the case, according to sworn statements she gave last year.

At a time of growing public alarm over the erosion of privacy by technology and data commerce, electronic dossiers have become the common currency of computer-age sleuths, and a semiunderground information market offers them much more: private telephone records, credit-card bills, airline travel records, even medical histories.

Cash-strapped governments are selling digitized public records to a new generation of commercial database companies. Illinois, for example, now makes $10 million a year from the sale of public records. Other records that are for sale range from real-estate filings that list the number of bedrooms in a house and its last sale price, to divorces and bankruptcies.

Thus, personal details that used to lie in musty courthouse files can now be uncovered from almost any place in the country by means of a computer.

Web sites with names like Dig Dirt and SpyForU sell unlisted telephone numbers for $69 and bank-account numbers for $55, and they offer to trace a beeper number to the owner's address for $59, though these searches do not always work. Finding out a person's salary costs $75, and a list of someone's stocks, bonds and mutual funds is $200 from one New Jersey information broker who offers volume discounts.

The Web page of Advanced Research Inc. advertises long-distance toll records, cellular-call records, bank-account balances, credit-card activity, and up to 10 years of medical-treatment history.

Where does such information come from?

"I'm not at liberty to say," said Mike Martin, the private investigator who operates Advanced Research in Parsippany, New Jersey.

But Allen Schweitzer says he has little doubt about its origins.

Armed with little more than a stranger's Social Security number, an unscrupulous information broker can assume that stranger's identity in a call to one of the clerks who sit at computers all over the United States. Fed a plausible story and the key information to verify identity, Mr. Schweitzer said, helpful clerks will read information aloud.

In the trade, this is known as "pretexting," and it is a major source of illicitly gained information bought and resold by private eyes, some far removed from the source.

"I can get anything I want to know about you by being you," said Mr. Schweitzer, who served six months in prison and says he now has a legitimate job as a telecommunications salesman.

"The amount of information available at the push of a button has just revolutionized the whole private-investigation industry," said Jason Rowe, an investigator who frequently works on behalf of plaintiffs against large corporations. Even to the sleuths who benefit, he added, "it's a little bit frightening."

In the Texaco case, one of the claimants' lawyers, Duffy Buchanan, and residents of Wilmington have filed separate lawsuits accusing the private investigator, Christopher Coombs, and his corporate backers of violating their privacy and other civil rights as part of a strategy to sabotage the explosion claims.

Edward Carreon/The New York Times

Duffy Buchanan, a lawyer who represented the plaintiffs against Texaco, charges that a detective used pressure to force him to abandon the case.

Mr. Buchanan's complaint charges that Mr. Coombs, who reported directly to Texaco's law firm, Dewey Ballantine, illegally bugged his law office, enlisted or extorted false accusations against him, stole a computer list of claimants and maliciously engineered his indictment for an obscure insurance-code violation, forcing him out of the explosion litigation.

By the time Mr. Buchanan was acquitted in March, his career and the remaining class-action lawsuits were in shambles. Some claims have been dropped or settled; about 9,000 are still outstanding, including cases as diverse as a woman who needed a lung transplant and blamed the explosion, and children who complained of burst eardrums, worsened asthma or emotional distress.

YELTSIN: *Kremlin Showdown*

Continued from Page 1

worried about the recent onslaught against them.

The campaign against Mr. Chubais was vitriolic. Interfax reported Sunday that Mr. Chubais had received an assassination threat.

Mr. Berezovsky was the only one of the seven who was not in attendance Monday. The others were Vladimir Gusinsky of Media-Most; Alexander Smolensky of SBS-Agro; Mikhail Khodorkovsky of Rosprom, a holding company of Bank Menatep; Mr. Potanin; Mikhail Fridman of Alpha Bank, and Vladimir Vinogradov of Inkombank.

■ Assassination Plot

Michael R. Gordon of The New York Times reported earlier from Moscow:

Russian officials said they had learned of a plot to assassinate Mr. Chubais.

Andrei Trapeznikov, an aide to Mr. Chubais, confirmed in a telephone interview that the Federal Security Service received a tip of a plot.

Mr. Chubais was informed on Saturday and security precautions were strengthened, Mr. Trapeznikov said.

He declined to say who was organizing the reported plot or why. The Interfax news agency said that a threat may have been made by a Russian oil company that had failed to pay its taxes and faced bankruptcy.

INTERNATIONAL

Albright Can't Predict Renewed Peace Talks

Reuters

BEIRUT — Secretary of State Madeleine Albright concluded her first tour of the Middle East on Monday with a warning that she could not predict renewed Arab-Israeli peace negotiations.

"I am an optimist, but I cannot make any predictions of success based on my discussions this week," Mrs. Albright said in Beirut on the last stop of a tour conducted amid a deepening crisis in the U.S.-led peace process.

Her visit to the Lebanese capital was surrounded with intense security and was not announced in advance.

But she chose to speak in the city, which no U.S. secretary of state had entered since just after the U.S. Embassy in Beirut was destroyed by a suicide bomber in 1983.

Mrs. Albright, on her first visit to the Middle East since assuming office in January, said the most she had accomplished was getting the parties to talk about the possibility of further talks.

"I believe that I have accomplished some small steps where big steps were needed, but it is better than no steps," she said.

The secrecy about Mrs. Albright's visit to Lebanon reflected continuing U.S. concern about a country where Westerners were routinely kidnapped in the 1980s. She left Amman earlier Monday, supposedly en route to Washington, but she stopped in Cyprus and switched to a UH-60 Blackhawk helicopter for the one-hour flight to Beirut. The helicopter carrying Mrs. Albright landed inside the heavily guarded U.S. Embassy compound northeast of the city.

"We must go forward on all tracks," Mrs. Albright said at a joint news conference with Foreign Minister Faris Bouez of Lebanon after a meeting involving President Elias Hrawi and Prime Minister Rafik Hariri.

"The Lebanese-Israeli track is absolutely essential for a comprehensive Middle East peace settlement, which the United States supports and is totally committed to," Mrs. Albright said.

Lebanon, where about 30,000 Syrian troops are stationed, follows the lead of Damascus on peace talks.

Israel halted peace talks with Syria early in 1996, and the election of Prime Minister Benjamin Netanyahu in May 1996 on a platform of refusing to return the Golan Heights — Syria's main demand — has appeared to block hopes for a resumption of the talks.

Saleh Rifai/The Associated Press

Secretary of State Madeleine Albright and Foreign Minister Faris Bouez at their press conference at the Presidential Palace on Monday.

Lebanon is the last Arab country with an active war front with Israel. Israeli forces continue to occupy part of southern Lebanon, 19 years after their first invasion, and fighting with guerrillas trying to drive them out has intensified recently. Fifteen Israeli soldiers have been killed in southern Lebanon in the last two weeks.

Hezbollah, the militant Shiite Muslim group leading the armed fight, issued a statement saying it was astonished any that Lebanese leader would want a visit by Mrs. Albright.

But Mr. Bouez said he hoped her visit marked the return of the United States "as a driving force and an honest broker" in Arab-Israeli peace talks.

"The role of the United States is indeed essential for the resumption of negotiations," he said.

In Beirut, Mrs. Albright rode through the streets in a convoy of about 20 vehicles that included armored vans manned by U.S. Embassy guards and armed with machine guns.

"I only point to the very special arrangements that had to be made for me to come here," she said after she was asked about U.S. views of security in Lebanon. "It is not my normal travel mode."

Beirut is a place of grim memories for the United States. After the 1983 bomb attack that destroyed the U.S. Embassy another suicide bomber in a truck killed 241 U.S. servicemen later in the year, prompting a withdrawal of the U.S. force that had been intended to restore stability after the 1982 Israeli invasion of Lebanon.

■ *Cyprus Rivals Agree to Meet*

Mrs. Albright announced Monday night that the Cypriot president, Glafcos Clerides, and the Turkish-Cypriot leader, Rauf Denktash, had agreed to meet to discuss security issues, Agence France-Presse reported from Larnaca, Cyprus.

"I am pleased to announce that earlier today President Clerides and his excellency Rauf Denktash informed the United States of their willingness to meet soon on Cyprus to discuss security issues," she said.

"This is a substantial step for improving the climate for serious negotiations on the core political issues," Mrs. Albright said after arriving in Larnaca from Beirut at the end of a Middle East tour.

The U.S. envoy for Cyprus, Thomas Miller, held separate talks Monday in the divided city of Nicosia with Mr. Clerides and Mr. Denktash, who failed to make any progress during talks in Switzerland last month.

Secretary on a Seesaw

Too Early to Judge Mideast Balancing Act

By Steven Erlanger
New York Times Service

AMMAN — As a measure of the deteriorating peace efforts in the Middle East, even the Davis Cup tennis team from Morocco — one of the Arab countries warmest to Israel — has refused to go there to play.

While security fears were cited as the reason, U.S. officials interpret the decision as a protest against the policies of Prime Minister Benjamin Netanyahu and an example of the increasing new isolation of Israel in even the moderate Arab world.

In her first official visit to the Middle East, which ended after a surprise visit to Lebanon on Monday, the U.S. secretary of state, Madeleine Albright, has found herself having to try to restore even the semblance of negotiations

NEWS ANALYSIS

toward peace. She has had to try to reduce the swelling distaste and distrust between Mr. Netanyahu and Yasser Arafat, the Palestinian leader, who is nostalgic for Israel's Labor Party and its leaders who signed the Oslo accords with him on the White House lawn four years ago.

Mrs. Albright's delicate task has been to push a deeply divided Israel hard enough to persuade it not to damage its own interests. And if Mr. Arafat or Mr. Netanyahu will not take up her challenge to make the "hard decisions" needed to restart peace talks, she wants to protect U.S. strategic interests in the Middle East from collateral damage.

She had to warn Mr. Arafat that the United States — let alone the Israeli government — would no longer tolerate his use of security cooperation with Israel as a negotiating lever.

She had to support Mr. Netanyahu in his security concerns. But she also had to warn him that they cannot forever be a pretext to keep from dealing seriously with the political issues of real peace and partnership — or at the minimum, rapprochement — with the Palestinians.

With the American-built regional coalition against Iran and Iraq fraying badly, Mrs. Albright had to go to the Middle East to appear to be trying her best to work as an "honest broker" for peace and to be heard speaking with at least some sympathy and understanding for the situation as moderate Arabs and Palestinians see it.

A prolonged collapse of peace negotiations would lead to more radical and fundamentalist pressures on moderate Arab governments, the further isolation of Israel, the undermining of Mr. Arafat by a frustrated and impoverished Palestinian population, a probable increase in terrorism and violence and a major fracture in the strategic position of the United States in the Middle East.

Mrs. Albright had to begin to fix all that in the aftermath of the second suicide bombing episode in recent weeks, when the Israelis needed reassurance about their security. She also had to manage the entire initiative without getting President Bill Clinton into too much trouble with a pro-Israel Congress and Democratic Party at home.

With so much at stake, it is really too early to say whether this much-postponed first trip to the region has been a success or a failure. She herself was relatively honest about the paucity of her achievement, but for once she may have been selling herself a little short.

While she made it clear that "big steps" were needed — from Mr. Netanyahu and Mr. Arafat, she was careful to say, not from the United States — she did manage to arrange a series of meetings on both the Palestinian-Israeli and Israeli-Syrian negotiating tracks.

Neither is likely to go very far very fast, but they did break the sense of deterioration and stalemate and bought everybody some time.

They helped to restore a sense of American engagement. And she was outspoken about the damage done by such unilateral Israeli actions as settlement expansion, urging Mr. Netanyahu not to deepen the frustrations and humiliations of the Palestinians needlessly, while decrying the radical Arab terrorism that also threatens every Arab state.

These accomplishments alone produced complimentary sighs of relief from Arab leaders ranging from President Hosni Mubarak of Egypt and King Hussein of Jordan to less predictable figures like King Fahd of Saudi Arabia and the country's conservative crown prince, Abdullah ibn Abdulaziz.

Mr. Mubarak said her trip had produced unexpected results and had created new hope for peace efforts, telling her that she was being seen "in a new light" throughout the Arab world.

Prince Abdullah, who has warned that Saudi Arabia might boycott an American-sponsored regional economic meeting in November in Doha, Qatar, said, "This is what we always looked for and admired, a secretary of state who is brave and frank at the same time."

Even taking into account traditional Arab chivalry — King Fahd met her uncharacteristically early in the evening and did not keep her waiting — Mrs. Albright clearly made a favorable first impression.

ISRAEL: *Netanyahu Faults Settlers for Move Into East Jerusalem*

Continued from Page 1

and it came the day after Mr. Netanyahu reaffirmed his opposition to the construction of apartments for Jews on an adjacent site, in the Arab neighborhood of Ras al Amud.

The building occupied by settlers Monday is owned by Dr. Irving Moskowitz, the American financier who is also behind the apartment project. Dr. Moskowitz is known for his long-standing efforts to buy up properties in East Jerusalem and other support for far-right causes in Israel.

"We believe that what is happening right now in Ras al Amud is no good for Jerusalem," Mr. Netanyahu said in a speech to American fund-raisers. "It's not good for the state of Israel. We think on the sensitive issues we should be the ones who are making the decisions, not maneuvered into them."

The government was reported to be studying whether it had the right to evict the settlers on security grounds. Their legal rights to the building were not questioned, by the government or by the Palestinians.

A spokesman for Dr. Moskowitz said he was in Jerusalem, but was not available for comment. He did, however, issue a press release Sunday hailing a decision by the Jerusalem municipal planning board to confirm its approval for his apartment project. It was this action that prompted Mr. Netanyahu to reaffirm his intention, first declared in July, to block the construction.

Making no mention of Mr. Netanyahu's opposition or of the impending settlement of an existing house, Dr. Moskowitz said his proposed housing was "a vital safeguard for the unity of Jerusalem, as well as a litmus test of Palestinian willingness to live in peace and cooperate with Jews on a common ground."

The timing of the occupation led to widespread speculation that the action was intended to put pressure on Mr. Netanyahu, in the immediate aftermath of Mrs. Albright's visit, not to abandon the rightist agenda. Israeli radio reported that many cabinet ministers knew in advance of the plan to move into Ras al Amud, though it was a matter of dispute whether the prime minister knew.

There were reports that he was advised of the action only shortly before it took place, and was advised that there was no legal ground on which to block it. But there were also reports that Mr. Netanyahu had been aware of the settlers' intention before, and had worked to delay the move until after Mrs. Albright's visit.

The reported disputes were reminiscent of previous actions that were apparently imposed on Mr. Netanyahu, and developed into major crises. One was the opening of the Western Wall tunnel a year ago, a project in which Dr. Moskowitz was also involved, and which led to violent clashes with Palestinians. Then in March, after Mr. Netanyahu agreed to the Israeli withdrawal from much of Hebron, hard-line members of the cabinet demanded that he approve construction of a new Jewish neighborhood in East Jerusalem, Har Homa, which led to the collapse of political contacts with the Palestinians.

The move drew loud protests from Palestinians and Israelis.

Foreign Minster David Levy, who has expressed growing concern over the erosion of the Israeli-Palestinian peace, said, "It's sad to see that every time progress seems to be made in the peace process, such actions occur, which are unnecessary and damaging."

Inside the house, the settlers and their supporters celebrated, raising Israeli flags all over the house and putting up stickers that read, "Jerusalem is ours."

BRIEFLY

Egypt Dooms 4 as Terrorists

HEIKSTEP, Egypt — An Egyptian court sentenced four people to death and eight to life in prison Monday in Egypt's largest military trial of suspected members of the Islamic Group militant organization.

Chants in Arabic of "God is great!" rose from the defendants, crowded into a cage in the courtroom after the verdicts were read out at the Heikstep military base outside Cairo.

Mohammed Fawzi was sentenced to death for being a leader and member of an illegal terrorist group and for possessing explosives with the aim of destabilizing public order.

The Islamic Group is the largest militant organization fighting to set up a version of an Islamic state. *(Reuters)*

Tanzania Pleads For Food Aid

DAR ES SALAAM — President Benjamin Mkapa declared a national food emergency Monday, banned food exports and appealed to Western donors for 916,000 tons of food aid.

In an appeal for help to ambassadors at State House, his official residence, Mr. Mkapa said the food aid would cost an estimated $14.5 million, excluding transport costs.

"I cannot overstate the seriousness of the food shortage, indeed famine, facing a large part of the country," he said, especially in coming months. *(Reuters)*

U.S. Envoy to Vatican Resigns

BOSTON — Raymond Flynn said Monday that he was resigning his position as U.S. ambassador to the Vatican this weekend.

He intends to return to Massachusetts to consider a possible bid for governor next year, he said in a telephone call from Rome.

Mr. Flynn, who served as mayor of Boston for a decade before being named a diplomat by President Bill Clinton in 1993, planned to submit his resignation Tuesday.

The White House has already said it would nominate a former representative, Lindy Boggs, to the post.

In an interview two weeks ago, Mr. Flynn all but declared that he planned to seek the Democratic gubernatorial nomination in 1998. *(AP)*

Rail Line Severed in Colombia

BOGOTA — A stretch of rail line linking Colombia's Cerrejon Norte coal mine with the Caribbean coast was blown up over the weekend, halting all shipments between the mine and port, officials said Monday.

A spokesman for the Exxon subsidiary Intercor, which operates the mine with state-run Carbones de Colombia, said the attack by suspected National Liberation Army rebels derailed 27 cars with 270 tons of coal. *(Reuters)*

Fish Dying By Thousands In Maryland

New York Times Service

DRAWBRIDGE, Maryland — Thousands of fish in the Chicamacomico River have been stricken with a microbial affliction, leading the state to close yet another waterway to fishing and recreation and adding to the urgency of a festering new environmental problem for Chesapeake Bay.

It was the third time since early August that Governor Parris Glendening of Maryland had ordered the closure of one of the bay's tributaries on the state's Eastern Shore, where sport and commercial fishermen and boaters prop up half of the economy and chicken farms and cornfields sustain the other half.

The gaping raw sores on the 4-inch-long menhaden, which are a common bait fish for crabbers in the area, are the classic symptom of *Pfiesteria piscicida*, a little-understood microbe discovered only a few years ago that can assume a toxic form.

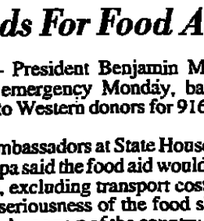
It has been blamed not only for killing fish but also for rashes, flu-like symptoms and even short-term memory loss among some people who have come into contact with it while fishing or conducting research.

Just what causes Pfiesteria to turn toxic is not certain, but chronic problems with the microbe in North Carolina are thought by many scientists to be related to polluted runoff from hog farms.

In this part of Maryland, the attention is focusing on chicken farms, whose manure enriches the cornfields that are drained by ditches that feed directly into some of the affected streams. The nutrients in the manure runoff provide a medium for microbes to flourish.

MEMORIUM

Andy MAC ELHONE
son of
Harry
the founder of
Harry's New York Bar, Paris,
who emptied his last glass
on the 16th of September, 1996.
Let us, who knew, loved and
respected him, raise our glasses.
Cheers!
"Alba gu brach"
from his beloved wife, Gabriele.



PATRICIA WELLS
Food Critic

DINING

The World's Top Tables

If you missed it in the IHT, look for it on our site on the World Wide Web:

http://www.iht.com

DO YOU LIVE IN THE UK?

- Subscribe and SAVE up to 53% off the cover price.
- Also available: PAY MONTHLY by easy, low cost, direct debit.

HAND DELIVERY IN CENTRAL LONDON & PARTS OF THE SOUTH EAST.

A cosmopolitan, comprehensive and concise newspaper delivered every day to your home or office.
In Central London and parts of South East England, the International Herald Tribune offers early morning hand delivery on the day of publication, Monday through Saturday.*
The result?
Unique coverage of the world you live in, brought to you as it changes – daily.

**Monday through Friday outside Central London. Postal subscriptions are available throughout the UK on the day after publication.*

For more information about easy ordering and availability of hand delivery call our Subscriber Customer Service Unit:
Toll free: 0800 895 965
or Fax: (171) 240 34 17.

PAYMENT BY MONTHLY DIRECT DEBIT

☐ *YES*, I'd like to subscribe and have my bank account *debited monthly* by £17.
Please start my subscription and send me a bank form to arrange my payment.

PAYMENT BY CHECK OR CREDIT CARD

☐ *YES*, I'd like to subscribe and pay for the following term:
☐ 12 months (+ 2 months free): **£210**
(Saving off cover price: 36%)
☐ Special, 2-month trial subscription: **£22**
(Saving off cover price: 53%)
☐ My check is enclosed (payable to the IHT)
☐ Please charge my:
☐ Access ☐ Amex ☐ Diners
☐ Eurocard ☐ MasterCard ☐ Visa
Credit card charges will be made in French Francs at current exchange rates.
Card N°:_____ Exp.:_____
Signature:_____
☐ Please start delivery and send invoice.

YOUR DETAILS

Family Name:_____
First Name:_____
Job Title:_____
Mailing Address: ☐ Home ☐ Business
_____
_____
Postal Code:_____
City:_____
Tel:_____ Fax:_____
E-Mail Address:_____
Your VAT N° (Business orders only)
_____
(IHT VAT N° 747 320 211 26)
I got this copy of the IHT at: ☐ kiosk ☐ hotel ☐ airline ☐ other
☐ I do not wish to receive information from other carefully screened companies.

This offer expires on December 31, 1997 and is AVAILABLE FOR NEW SUBSCRIBERS ONLY.

Return your completed coupon to:
Delphine Prinselaar, International Herald Tribune,
63 Long Acre, London WC2E 9JH.
Fax: (171) 240 34 17 E-Mail: subs@iht.com UK14

READERS IN OTHER COUNTRIES CAN SUBSCRIBE BY CALLING:

EUROPE, MIDDLE EAST & AFRICA
Tel: +33 1 41 43 93 61
Fax: +33 1 41 43 92 10

THE AMERICAS
Tel: (USA toll free) 1-800-882-2884
Fax: +1 212 755 8785

ASIA
Tel: +852 29 22 11 71
Fax: +852 29 22 11 99

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Reno Should Step Aside

The torrent of disclosures of political fund-raising abuses by the Democrats last year has no doubt had a numbing effect on many people. But if ordinary citizens find it hard to keep track of the shady characters, bank transfers and memos suggesting that Vice President Al Gore and others knew what they say they did not know, the Justice Department has no excuse. Recent weeks have brought fresh evidence that the department's investigators are either lethargic or over their heads. Even worse, Attorney General Janet Reno's failure to seek an independent counsel to oversee the probe no longer looks like a principled assertion of faith in Justice's career staff. It looks like a political blocking operation to protect President Bill Clinton and Mr. Gore from the vigorous investigation that would be aimed at any other officeholder who had received so much suspicious money.

Earlier this month, Ms. Reno was warned by Republicans in the House that "the mood in Congress to remove you from office grows daily." That is a drastic step we are not quite ready to endorse. But the congressional frustration is understandable in light of recent developments. It is hard to fathom, for example, why Justice Department investigators were so clearly taken by surprise when it turned out that the Democratic Party had engaged in a systematic scheme of juggling its books, transferring money from one account to another in possible violation of the law. Had the investigators been doing their job, they would have also discovered months ago that the basis for Ms. Reno's repeatedly saying that there were no credible allegations of wrongdoing against Mr. Gore was flat wrong.

After disclosures in the press that the Democrats mixed campaign accounts that are supposed to be rigidly separate, Ms. Reno abruptly announced that her department would actively consider asking for a special counsel to take over the case. But there is no need for delay in recognizing the obvious. Moreover, it would be a political subterfuge to limit the special counsel to Mr. Gore. His boss has earned one, too.

The first order of business ought to be fixing responsibility for the Democrats' fund-raising abuses, not simply the shuffling of accounts but whether there were any quid pro quos for all those donors and whether anyone in a major position of responsibility knew of the laundering of money and illegal transfers of funds from foreign sources. Among the highest priorities, in addition, is determining whether Mr. Gore violated federal laws by soliciting money from big donors from his office at the White House.

There may be a temptation among Democrats and others to suggest that bookkeeping violations are inconsequential. But that would be a fundamental misreading of the issue. The reasons go back to the reforms that followed the biggest political scandal in modern American history.

Watergate led to two historic changes in American politics. First was the establishment of a process in which the attorney general may seek the appointment of a special prosecutor, which later became known as an independent counsel, to investigate cases against top administration officials. In 1993, when the statute was renewed, Ms. Reno herself affirmed the importance of being able to turn to an outside counsel to avoid "an inherent conflict of interest" when the attorney general, an appointee of the president, must oversee an investigation that could damage the administration politically. She is burdened by that conflict today.

Watergate also produced limits on campaign contributions that were flagrantly violated last year. Since 1974, it has been illegal for an individual to contribute more than $1,000 to a federal candidate per election or more than $20,000 per year to a political party for candidate election expenses. Individuals may not give more than $25,000 in such contributions a year for all candidates and parties put together. These strictly limited contributions that are used for direct candidate support are called "hard money." Federal election law separates hard gifts from the unlimited "soft money" that can be given to the parties for their operating and promotion efforts. Last week we learned that the Democratic National Committee routinely deposited soft money in its hard money or candidate accounts without informing the donors. Although some of the money was later shifted to other accounts, it is clear that the DNC was casual about one of the law's most basic distinctions.

Ms. Reno's primary duty is to uphold the laws on the books. But her Democratic loyalty seems to flow toward those bearing endless legalistic explanations as to why the laws either do not mean what they say or can be ignored with impunity. She should step aside and let someone with a less partisan view of law enforcement take over the crucial task of investigating the White House money flow.

—THE NEW YORK TIMES.

Connecting in Cyberspace

A couple of very big plates are shifting in the underpinning of cyberspace with the announcement that America Online, the biggest of the on-line service providers, will sell its technical functions to the long-distance company WorldCom and focus on providing "content" to subscribers. It's the latest gamble, a fairly daring one, against a landscape composed mainly of guesses as to what people really are going to want from the Internet now that the first hectic techno-novelty is wearing off.

America Online began with the notion that people want not just the unlimited capabilities of linkup and information-gathering offered by cyberspace but something more human and manageable: a place to go once they get there. More successfully than many other services, AOL stressed the encouragement of on-line "communities" — spaces for lovers of word games to get together and play them in the evenings, to swap stock tips or argue about politics or other topics with a greater sense of safety than they get in the uncharted and stormy spaces of the open Internet or the freewheeling "newsgroups."

The communal spaces have caught on to the extent of altering behavior: It's no longer unusual to hear of people taking a vacation to meet the members of their AOL group in person, and some of these conventions evidently satisfy the participants as actual, not just virtual connection. Along with this social sculpting has come the more visible public face of AOL users as a bunch of people who expect more from their service than a mere utility and are noisy about demanding it when the still quirky technical side of things hangs up.

It's this technical side that AOL now has said it will hand off to WorldCom, in a tremendously complicated deal that also involves the addition of rival CompuServe's clients to the AOL stable. Rather than try to keep up with technical demands its network could no longer handle, AOL is sending the message that the real future of the Internet lies not in its technical magic — connecting you to everyone — but in the old cultural service of connecting you to someone.

A lot of people, in the "content" industries and the "connection" industries, will be urgently interested in whether this diagnosis of the new technology's possibilities proves right. (The Washington Post Co., which provides on-line content, obviously shares this interest.) But it's worth keeping in mind that this is a diagnosis that emphasizes not what's new about the new technology but what's old and familiar — and perhaps what its limits are for such things as hooked-up classrooms. As with so many technologies, it's not enough to offer people everything. And "everywhere" is the last place anyone wants to spend a lot of time.

—THE WASHINGTON POST.

Other Comment

China's Third Revolution

Curbing the power of state and party is the essence of China's third revolution. For China's leaders, it is a dangerous prospect: The party must give way not just to new factory owners but to an independent judiciary and other disinterested arbiters of conflicting rights and claims. Ordinary people must be granted far greater control over their lives: where they live, how they work. Ultimately, that will renew demands for people to have a greater say in how they are governed.

—The Economist (London).

Herald INTERNATIONAL Tribune
ESTABLISHED 1887
KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
Co-Chairmen
KATHARINE P. DARROW, Vice Chairman
RICHARD McCLEAN, Publisher & Chief Executive
MICHAEL GETLER, Executive Editor
• WALTER WELLS, Managing Editor • PAUL HORVITZ, Deputy Managing Editor
• KATHERINE KNORR and CHARLES MITCHELMORE, Deputy Editors • SAMUEL ABT and CARL GEWIRTZ, Associate Editors • ROBERT J. DONAHUE, Editor of the Editorial Pages
• JONATHAN GAGE, Business and Finance Editor
• RENÉ BONDY, Deputy Publisher
• JAMES McLEOD, Advertising Director • DIDIER BRUN, Circulation Director.
Directeur de la Publication: Richard McClean

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Tel.: (1) 41.43.93.00. Fax: Subscriptions, (1) 41.43.92.10; Advertising, (1) 41.43.92.12; News, (1) 41.43.93.38. Internet address: http://www.iht.com E-Mail: iht@iht.com
Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 119800. Tel. (65) 472-7768. Fax: (65) 274-2334
Mng. Dir. Asst.: Rolf D. Kramguhl, 50 Gloucester Rd., Hong Kong. Tel. 852-2922-1188. Fax: 852-2922-1190
Gen. Mgr. Germany: T. Schlüter, Friedrichstr. 15, 60323 Frankfurt/M. Tel. +49 69/971250-0 Fax: +49 69/971250-20
Pres. U.S.: Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Fax: (212) 755-8785
U.K. Advertising Office: 63 Long Acre, London WC2. Tel. (171) 836-4802. Fax: (171) 240-2254
S.A.S. au capital de 1 200.000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337
©1997, International Herald Tribune. All rights reserved. ISSN: 0294-8052.

Despite Cheerful Talk, Poverty Just Gets Worse

By Pranay Gupte

NEW YORK — The mandarins of global finance and fiscal policy are gathering in Hong Kong for the annual meetings of the World Bank and the International Monetary Fund. Some 15,000 bankers, finance ministers and deacons of the development business will doubtless cheer one another — in between the banquets and receptions — with data showing the world's economy to be more buoyant than in many years, stock markets to be generally booming, corporate earnings to be high and a sense of well-being pervading the industrialized nations.

They will miss the point.

Sure, economic growth in developing countries may accelerate over the next 25 years, as a new World Bank report has forecast, and the five biggest emerging economies — Brazil, China, India, Indonesia and Russia — may become economic powerhouses in the foreseeable future. True, more and more developing-world markets are opening up to Western exporters, with shops stocked with such brand names as Nike and Sony, and with people of all colors happily guzzling Coke and Pepsi.

But the real point is that never have there been more poor people in our world, and never has the world kept adding more poor people to its population. Nearly a third of the global population of 5.8 billion lives in "absolute poverty," defined as per-capita income of less than the equivalent of $370 annually. Some 82 countries are unable to produce or buy sufficient food for their populations, according to the Washington-based Population Institute, even as a record 100 million children are being born each year in "developing" countries that can least afford to support such staggering population growth. Each year 24 million women enter the childbearing stage in poor countries. Chronic water shortages, mounting environmental degradation, urban congestion, high crime, rising numbers of abortions, increasing drug use — all these are established consequences of galloping population growth.

And add to the list the endemic bureaucratic corruption that plagues the Third World and siphons scarce resources from social and economic development.

But who wants to hear about these inconvenient realities nowadays? Development institutions, such as the World Bank and the IMF do well by poverty; their administrators are given tax-free salaries and enviable perks in order to dream up ways to generate universal prosperity. Indeed, new bureaucracies, such as the UN's Commission on Sustainable Development, have sprouted to promote a notion that no one has quite figured out.

The bottom line, starkly put, is that despite all the cheerful talk of global economic growth, there are more children going to bed hungry each night, more mothers having unwanted babies because of inadequate family-planning services and more people in need of jobs.

It may be unfashionable to harp on poverty and overpopulation in glamorous conference chambers in Hong Kong. At development talkfests, the emphasis is on free markets, on entrepreneurship, on access to capital — as if repeating these mantras will miraculously foster a new environment of growth and change in languishing societies. (Ironically, the five incipient powerhouses cited by the World Bank — Brazil, China, India, Indonesia and Russia — also figure among the most corrupt nations cited by the respected Berlin-based watchdog Transparency International.)

But as the late Mother Teresa and Diana, Princess of Wales — neither a "sustainable development" Brahmin — would often say, global poverty cannot be wished away. It's fine for the private sector to invest in Nike factories, but where's the investment in social development?

Population growth in the Third World has increased the ranks of the poor, not of those with purchasing power for goods peddled by Western exporters.

The Hong Kong crowd might do well to rededicate themselves to slowing population growth through more attention to reproductive health, education for girls and employment for women.

An important new study by Population Action International, a Washington think tank, has shown that greater access to schooling for girls and young women leads to lower birthrates; a secondary-school education often results in later marriages. The study shows, for example, that a Peruvian woman who has completed 10 years of education typically has two or three children, while a woman with no formal education has up to 10 children. Smaller families often mean better health care for children and enhanced economic prospects for adults.

And yet investment by donor countries in population control and reproductive health is shrinking — the annual figure is about $5 billion, a tenth of the overall development aid to the Third World.

The United States, a traditional leader in population issues, spends less than $1.50 per capita for population aid to developing countries, and the ideological sentiment in Congress is toward reducing such aid.

Strengthening programs that focus on population and reproductive health, and creating better education and job opportunities for women, are worthy ways of investing in people's well-being. Adding more people to the world doesn't necessarily mean that markets get bigger. Population growth in the Third World has thickened the cohort of the poor, not of those with purchasing power for goods peddled by Western exporters.

The lesson for those in Hong Kong? The poor may always be with us, but they do not need always to be imprisoned in poverty in such vast and growing numbers.

The writer, editor and publisher of The Earth Times (New York), contributed this comment to Newsweek.

A Crisis of Logic in the Mideast: 'Like This We Can't Go On'

By Thomas L. Friedman

JIDDA — The father of one of the Israeli commandos killed in Lebanon earlier this month said something after his son's funeral that pretty well summed up the mood in Israel. Loosely translated, he said: "I just have this to say to the prime minister: 'If it's going to be war, then let's have war. If it's going to be peace, then let's make peace, but like this we can't go on.'"

The latest suicide bombers, combined with a rash of Israeli deaths in Lebanon, have had a paradoxical effect on Israeli society: They have combined to discredit the Oslo peace process, while at the same time intensifying the desire for a solution — even a radical solution.

Hawks and doves, Likudniks and Laborites, religious and secular do agree on one thing: that it simply can't go on like this.

As a result, Prime Minister Benjamin Netanyahu is in an unusual position. Tomorrow he could announce that he is unilaterally annulling the Oslo peace treaty, or tomorrow he could announce that he is unilaterally withdrawing from 75 percent of the West Bank in accordance with Oslo — and he would have a majority in Israel for either move.

In its original conception, the peace process was supposed to generate a powerful emotional response: a belief in coexistence. In reality, the process has generated in Israel a powerful emotion, but not the one intended. It is the emotional desire for separation — whether it is done unilaterally, through Oslo, through a closure of the occupied territories or any other way. Just get this conflict out of my life.

Nurit Peled-Elchanan, the daughter of one of Israel's most dovish generals and the mother of a 14-year-old girl killed in the latest Jerusalem suicide bombing, told the Ha'aretz newspaper last week that Mr. Netanyahu had telephoned her with his condolences after the bombing.

"What have you done?" she asked him. He answered that he had done all he could. "Then build a wall between us and them," she said.

What ails the peace process is not just a crisis of confidence. It's a crisis of logic. It's not only that each side doesn't trust the other; it's that nothing makes sense. Opposite causes produce the same effect: There are suicide bombers when the peace process moves ahead and suicide bombers when the process is stuck. And the same causes produce opposite effects: Mr. Netanyahu strikes a Hebron deal one day and undermines it the next by building in Har Homa; Yasser Arafat exposes a cell of Palestinian suicide bombers in Beit Sahur one day and kisses the leader of Hamas the next. Closure of the territories increases Israel's security and decreases Israel's security. Everything that happens, for good or ill, seems utterly random. Oslo is no longer a peace process. It's a Tolstoy novel.

Bombs go off when the peace process moves ahead; bombs go off when it gets stuck.

In this maelstrom, Secretary of State Madeleine Albright's strategy makes sense. It is to bluntly cut through the layers of chaos and try to revive the emotional bond that has been the basis of every other Arab-Israeli peace. It was the bond of trust between Anwar Sadat and the Israeli people that made Camp David. It was the bond of trust between King Hussein and the Israeli people that made the Jordan-Israel peace, and only if there is a bond of trust between Mr. Arafat and the Israeli people will Oslo proceed.

That's why Mrs. Albright's strategy starts with the Palestinian leader. Her basic line with him has been: I'm not asking you to trust Netanyahu's instincts, but I am asking you to trust the instincts of the Israeli public. Right now, there is no logical connection for Israelis between the peace process and their personal security. That is death for Oslo. I know you and your people are suffering. I know you feel that Bibi not only wants to melt down Oslo, but to melt you down personally. But we're not here to talk about fairness. We're here to talk about what might work. You can't corner Bibi by trying to enlist the United States. The Congress won't let you. You can only effectively corner him, and force him to abide by Oslo, with the help of the Israeli people. Listen to the mood in Israel. They're ready to recognize your legitimate rights today. They're ready to give you a state tomorrow. But only if they're sure that the legitimate right of the Israeli people not to be randomly blown up at the grocery store will be protected. Persuade Israelis that you understand that, and the mood in Israel will work for you. Ignore that, and it will consume you.

The New York Times.

In Seeking a 'Third Way,' the Dutch Model Is Worth a Look

By Ruud Lubbers

AMSTERDAM — The contrast between a lean welfare state with rapid job growth in the United States and a costly social welfare system with persistently high unemployment in most of Europe has given rise to a new debate.

Is the American model the way of the future, as President Bill Clinton lectured the assembled leaders of the Group of 7 and Russia earlier this summer? Can the generous welfare and job security system of the Europeans survive globalization, as the French are attempting to prove with their new Socialist government? Or is there a "third way" between the two paths, as Prime Minister Tony Blair of Britain insists?

I think there is a third way, as seen in practice in the Netherlands. Inevitably any talk of a third way has focused on the Dutch case because we have successfully tackled the unemployment problem that plagues the rest of Europe, while at the same time remaining within the European tradition that emphasizes quality of life rather than growth at any cost.

What, then, is the "Dutch way"?

The first thing to understand about the Dutch success of the 1990s is that it is a product of the "Dutch disease" of the 1970s. To simplify a great many complicated events over many years: In the 1960s the Dutch welfare state was financed by the real growth of productivity that resulted from investments in infrastructure, education and vocational training.

By the 1970s, however, the welfare state had "overmatured" through a combination of political blindness and the easy temptation of rapidly increasing national income due to natural gas reserves. The wrong incentives had begun to erode Dutch discipline.

By 1982 unemployment was rising structurally at a rate of 2.5 percent per year. In response, a new government was elected with the mission of curing the Dutch disease and restoring balance to our society.

Adopting a no-nonsense posture, the new government broke with the Keynesian orthodoxy of the past by reducing the budget deficit (by cutting subsidies and freezing civil service incomes and public sector hiring, among other measures), shifting to investment-oriented policies and placing a priority on job creation over the increase of personal income.

"Jobs, jobs jobs" was the theme.

One of the first acts of this approach was to threaten employers and trade unions with a wage freeze unless they agreed to find a way to moderate wage growth and devise a program of new employment through work sharing, or the so-called "spreading of jobs."

This government pressure resulted in the Agreement of Wassenaar, named after the small village near The Hague where the employers and unions met to revamp the old collective bargaining arrangements.

We have tackled the unemployment problem that plagues Europe while remaining within the European tradition that emphasizes quality of life rather than growth at any cost.

At Wassenaar, they initiated a new approach to negotiations in which wage moderation on the part of the unions would be "bought" in exchange for new part-time jobs, early retirement schemes and fewer working hours. (Later on, the provision of temporary jobs by employers would become an additional means for giving young newcomers access to the labor market.) This "wage restraint for jobs" agreement was the real beginning of the Dutch miracle.

Instead of industry-wide pacts, contracts have been tailor-made for companies and their employees, so as to provide for the greatest flexibility in allocating the number of working hours and the number of jobs. In this way, for example, a couple might have 1.5 jobs instead of two full-time jobs, giving them more leeway in their personal lives for other activities, including raising children.

At the outset, of course, it was difficult to find ways to "spread jobs." And there were confrontations between the government and the unions, particularly over wage cuts for civil servants.

By 1986, however, the benefits of the new arrangements were apparent enough that the government was returned to power in an election landslide. The no-nonsense policies had paid off politically.

With that mandate, the government took the next step and re-engineered the incentive system of the welfare state, placing more risk on companies and individuals and less on the government.

Under the re-engineered system, individuals could no longer count on so much generosity from the state if they lost their jobs or refused to accept lower paid or less attractive work. Companies that had become spoiled by the Dutch welfare system could no longer so readily dump disabled or elderly people from their payrolls in the expectation that the state would cover all the costs.

In time, and not least because a new generation of workers was entering the labor market, the new system of pared-down welfare state and "wage restraint for jobs" was fully accepted.

Due to the success of this balanced trade-off over the years, a sense of social trust has developed between employers and trade unions. Indeed a positive, "win-win" atmosphere has taken possession of the country as each side has learned to see change working to its benefit.

Politically, this trust has meant that the difference between the main parties has become so small that the continuity of policies has proven possible whichever coalition has been in power. The present prime minister, Wim Kok, is a Social Democrat and former trade union leader. Yet, in coalition with conservatives, he is continuing the policies of my previous Christian Democratic-led government.

Although the new Dutch way was initiated before the trend of post-Cold War globalization, today's more borderless world only reinforces the need for societies to be able to organize themselves with greater flexibility. Unlike much of the rest of Europe, therefore, we Dutch have not reacted to globalization with fear but have accepted it as a positive challenge.

At the same time it is true that the Dutch are not aiming to maximize gross national product per capita. Rather, we are seeking to attain a high quality of life, a just, participatory and sustainable society that is cohesive.

Thus while the Dutch economy is very efficient per working hour, the number of working hours per citizen is rather limited. By 1996, 36.5 percent of the Dutch work force was employed part time. We like it that way. There is more room for all those important aspects of our lives that are not part of our jobs, for which we are not paid and for which there is never enough time.

The writer is the former prime minister of The Netherlands. This article was distributed by the Los Angeles Times Syndicate.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Bohemian Front

PRAGUE — The Austrian Government is becoming alarmed at the serious nature of the troubles in Bohemia. The Bohemian national movement threatens to end in another great subdivision of the empire of the Hapsburgs, that is, in a triple instead of a dual empire. The executive committee of one of the great Bohemian parties recently passed a resolution protesting against the persecution of the Bohemians, and urging the necessity of calling the Bohemian Deputies to a convention in Prague.

1922: Cinema Verité?

PARIS — Royalists assembled at the Max Linder Cinema for the first production of "Orphans of the Storm," the latest American film of David Wark Griffith, gave audible signs of disapproval of the way in which the old French régime was represented. The scenario deals with the French Revolution, and the people are shown starving and ill treated under the Monarchy and happy and well fed as soon as the revolution is in control.

1947: Italy at Peace

PARIS — The Allies' state of war against Italy came to a formal end at midnight last night [Sept. 16], and Allied occupation troops, according to the peace treaty with the former Axis power, must evacuate sovereign Italian soil within the next ninety days. Italy's return to independent statehood strips her of all her pre-war African empire, of the Dodecanese Islands in the Aegean and most of her isles in the Adriatic and of 3,000 square miles of her homeland, including the cherished Istrian Peninsula, with the exception of the 200-square-mile area now to be known as the Free Territory of Trieste.

OPINION/LETTERS

Al Gore on the Line: He's No Criminal

By Anthony Lewis

NEW YORK — In late 1995 and early 1996 Vice President Al Gore made dozens of telephone calls from the White House to raise money from big political contributors. Those are the calls that have become the latest focus of the long-running Washington drama, the campaign funds scandal.

The charge is that the vice president committed a crime in making the calls. His critics call for the appointment of an independent counsel to consider prosecuting him.

As a matter of politics, the story has hurt Mr. Gore, damaging his reputation as Mr. Clean. He has handled it fumblingly, coming across as less than candid.

But law is another thing. Before we demand that the criminal law be invoked, we ought to look closely at what the law is. In the outcry, few have done that.

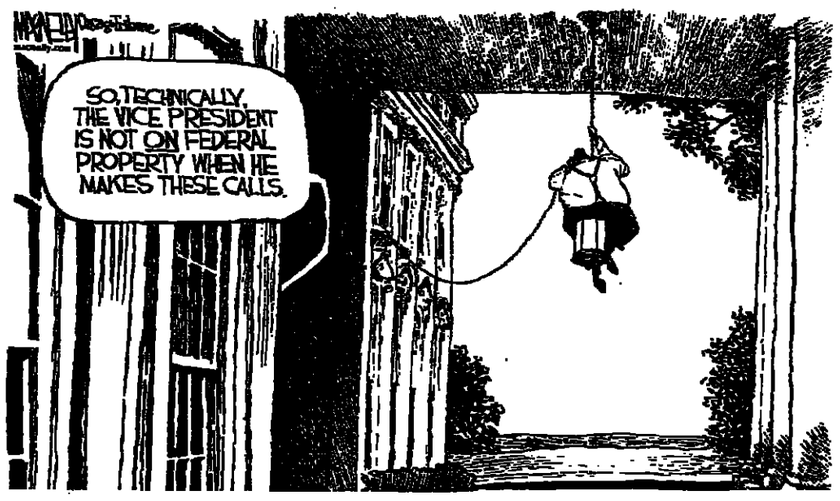
The law involved is Section 607 of the Federal Criminal Code. It is "unlawful," the section says, "for any person to solicit or receive any contribution ... in any [federal government] room or building occupied in the discharge of official duties."

Since the vice president was in federal office space in the White House, and he did solicit contributions, the charge is, he violated the law. Simple. But in fact it is not so simple.

Section 607 was part of an 1883 civil service reform law sponsored by Senator George Pendleton of Ohio: The Pendleton Civil Service Act. It introduced competitive examinations for civil service jobs. Section 607 was designed to stop the practice of political officeholders' shaking down civil servants for contributions. (The practice has continued in some local governments: Buy a ticket to the mayor's birthday party, or you will be out of a job.)

If the courts interpret Section 607 in terms of its original intent, then, only soliciting of one federal employee by another would be outlawed. The law was written before the age of the telephone, and it was not envisioned originally as covering calls from a federal building to private citizens.

Whether the courts would follow the doctrine of original intent in applying Section 607 is uncertain. But in its more than 100 years of existence, the section has never been applied to solicitation by telephone or mail of someone who was not in a federal building. So the Congressional Research Service of the Library of Congress found in a report last month.



A different legal question has been much debated. The word "contribution" in the 1883 act covers only contributions to political campaigns, not so-called "soft money" contributions to the parties. Mr. Gore solicited money for the Democratic National Committee, but it in turn gave part to campaigns. The question is whether Mr. Gore knew that and hence had the requisite "intent" to violate the law.

But before a prosecutor or a judge weighed the vice president's intent, he or she would first have to conclude that the law covered telephone calls to private citizens at all. And that is far from clear.

These are not just technical legal questions. I think their very nature, their debatable niceties, show that it is wrong to try to use the criminal law in this situation.

What Al Gore did was unseemly, but it was not corrupt. It did not remotely approach the stink of the huge contributions made by the tobacco companies to Republicans last year, for example, or of congressional committees inviting corporate lobbyists into the room where bills undoing environmental laws were being written.

Nor was Mr. Gore the first politician to make telephone calls from the White House to spur fund-raising. President Ronald Reagan made calls to fund-raising events between 1981 and 1988 and told big givers they would be visiting the White House "quite often." This according to Reagan Library documents reported by The Associated Press on Sept. 3.

Campaign finance is a profound problem for the survival of American democracy. That is not because Mr. Gore may or may not have violated an 1883 law designed for other purposes. It is because our campaign finance system puts such pressure on him and all federal politicians to raise huge amounts of money.

The system is corrupting our politics, and everyone knows it. The question that matters is whether Congress will change it.

The New York Times

A Picture That Speaks A Thousand Decisions

By Geneva Overholser

WASHINGTON — Washington Post readers were quick to criticize a photo the newspaper used of the Princess of Wales's two young sons, taken through a car window shortly after they learned of her death. Readers said the photo was just the sort of intrusive journalism associated with paparazzi; the criticism was intensified because the same Style section cover had a story that looked at tabloid intrusiveness. Readers asked: Exactly what sets the so-called legitimate media apart from tabloids?

Such concerns have sparked various responses from the media.

MEANWHILE

Some newspapers in Britain pledged restraint in covering princes William and Harry. Elsewhere, editors were examining their own policies — and seeking to assure readers that they do struggle with these issues.

David Von Drehle, The Post's assistant managing editor for Style, wrote this memo specifically in response to a column I wrote about the photograph:

"I have spent a great deal of time reflecting on the decision to run that picture.

"And it was a considered decision. If I differ with anything you wrote, it would be with the suggestion that editors — in this case, me — are pulled inexorably into publishing intrusive pictures. In fact, it is very easy for us not to run a picture. We just tell our layout people not to use it.

"When, Tuesday evening, I saw that our page designer was working with a photo of the young princes beside their father in the backseat of the limousine, I realized immediately that it would strike a distressing chord with a significant number of readers. It was such a precise evocation of the photograph the paparazzi were trying to get in Paris when Princess Diana was killed.

"So I asked our designer to go back and gather as many alternative pictures as he could find. From an editor's standpoint they were all significantly inferior. The pictures of the boys in joyful moments with their mother did not illustrate the forlorn sense of loss at the heart of the story. Pictures of the boys in happy times with their father also missed the point. (Ultimately we wound up using one of each type in subordinate positions so that the grieving picture would not be the only image our readers would see.)

"I also did some research into the circumstances of the limousine photo. I determined that the picture of the boys in the car was taken at a public royal outing — to church, in this case. The photographers present were in no way harassing or rude. The princes were not pushed, crowded or hounded.

"Moreover, the photograph itself was entirely respectful of a family in grief. There was nothing remotely embarrassing about the picture. It was entirely dignified.

"Most important, the emotion that the photograph engenders in the viewer is one of sympathy for the subjects.

"As I have racked my brain second-guessing my decision, I have come down to these issues as crucial in deciding what is an acceptable photo. We should resist publishing photographs obtained through harassment. We should not print pictures the primary purpose of which is to embarrass the subject or titillate the reader. And in a circumstance such as this, when people are suffering, our photographs should help readers to sympathize — or at least to empathize — with the victims of tragedy.

"The test offered last week by a reader, is also a good one: Do unto others as you would have them do unto you. I believe I can say in complete good faith that if, God forbid, a loved one of mine were to die in newsmaking circumstances, and I were photographed in a respectful manner during a public moment, and the pictures were presented in a dignified manner, I would not object."

Mr. Von Drehle ended by saying that he wanted to assure me, and readers, "that we did not make our choice of that picture cavalierly or by accident."

One additional note: Ted Lutz, The Post's vice president for circulation, said that 20,000 to 25,000 additional copies of The Post were sold Aug. 31, the day the paper announced Diana's death, and Sept. 7, the day it covered her funeral.

The writer is The Washington Post's ombudsman.

LETTERS TO THE EDITOR

On Mother Teresa

Regarding "But Less Concern for Bodies Than for Souls?" (Opinion, Sept. 9) by Sunanda K. Datta-Ray:

Mr. Datta-Ray may have found Mother Teresa's interest in souls superfluous, but it was her unfailing belief in the dignity of the human spirit — not just in the rights of the body — that changed the lives of thousands.

The ability to see in every human a soul worthy of dignity and respect was Mother Teresa's gift. More mystic than utilitarian, she did not do what seemed best for the people, but did what compelled her spiritually.

What Mr. Datta-Ray interpreted as her contempt for social workers may well have derived from the intensity of this spiritual commitment. She feared her missionaries might become social workers doing "the work for the sake of the work."

The spiritual dimension is the core element organizing her Missionaries of Charity. Mother Teresa hoped her missionaries would remain true to the spiritual aspect of charity. Her work was based on spiritual conviction, not meticulous reason.

Those of us in the secular community who take for granted that abortion and contraception should be encouraged in our dangerously overpopulated world use clear arguments to defend our opinions. While rationally based criticism is appropriate in the political arena, respect for Mother Teresa on spiritual terms is necessary to appreciate the value and extent of her work.

To begin to understand her lessons, we must respect the strength of Mother Teresa's faith and the conviction with which she lived it.

CATHERINE CORMAN.
Santa Monica, California.

Photojournalists Speak

Photojournalists around the world are being slandered and assaulted after the death of Diana, Princess of Wales. As professionals, we find this abuse unjustifiable and appalling.

Photojournalists are often people who feel a powerful social responsibility to document the atrocities of humanity in order to provide evidence to the world. in turn, they often believe that these documents will make our world a better place.

There are thousands of photographs that stimulate people's consciousness, move to tears or anger or even make people smile, proving that photojournalists' efforts have not been in vain and that theirs is indeed an honorable profession. We hope that readers will recall photographs that have given them a greater understanding of the world. Behind the majority of these images stand intelligent and honorable men and women.

Today the media are in the process of publicly denouncing this important profession. The accident that led to Diana's death on Aug. 31 is a tragedy. But we strongly condemn the current all-out assault on photojournalism, which is having highly negative consequences on a serious profession.

ANTHONY SUAU.
Paris.

The writer, a photojournalist, signed this letter on behalf of 156 others in his profession.

BOOKS

BITTER GROUNDS

By Sandra Benitez. 464 pages. $22.95. Hyperion.

Reviewed by Pamela Constable

FROM the moment a sneering coffee baron shoots down a faithful farmhand — just 21 pages into this ambitious, fast-flowing novel tracing the four decades that led up to El Salvador's civil war in the 1980s — you know the die is cast. The peasants are long-suffering, the oligarchy is spoiled, the soldiers are cruel, and violent confrontation is inevitable.

To be fair, perhaps there is little room for moral ambiguity in the story of an oppressive feudal society ripped apart by revolution. But Sandra Benitez, whose more modest first novel, "A Place Where the Sea Remembers" (1993), won several awards, is a talented fiction writer. Her challenge is to make us think, not merely love or hate. Unfortunately, instead of developing complex characters who draw us into their dilemmas and make us wonder how we would have reacted in similar circumstances, she tends to set them up — and then awkwardly discard them — as one-dimensional symbols in a social struggle that begs for more subtle novelistic treatment.

The structure of "Bitter Grounds" is built on three generations of Salvadoran women linked to a plantation called La Abundancia: the owners' wives and daughters, the female servants, their friends and lovers and rivals. This framework is a potentially ideal window into a traditional, rigidly stratified rural society on the brink of upheaval. But where Benitez might have produced a Central American version of "Wild Swans," she often comes closer to "Dallas."

After a short and powerful first section in which a peasant village is destroyed in the infamous *matanza* — the mass slaughter of rebellious Salvadoran coffee-pickers in 1932 — the book moves to the plantation manor, where the plot becomes melodramatic and incestuous. For nearly 200 pages spanning 30 years, we gallop from one doomed romance to the next, from one family feud to another. The author often weaves social commentary and political foreshadowing into these entertaining developments, but sometimes the result is clumsy or misplaced. The topic of land reform — a central factor in the Salvadoran conflict — is dismissed in one brief conversation, in which two landowners guffaw over the notion of having a "social conscience." In contrast, the book lingers ad nauseam over the details of the opulent oligarchic lifestyle. Yet we almost never learn what the poor think of all this, rarely glean a hint of their rage or despair.

The novel's treatment of the military is compelling but simplistic. Every member of the National Guard — a notorious institution that enforced order for the elite — is relentlessly villainous. Victor, an orphan from a peasant massacre who graduates from a military academy as a proud patriot, abruptly turns into a vicious, arrogant anti-Communist who tortures his cowering barracks pet, a kinkajou "with a sweet face" and "huge black eyes shiny with fear." Benitez shows far more nuanced insight when she explores the more subtle aspects of class differences. One love-struck girl is awed by a postal clerk's shiny suit and ability to read; another is banished from high society by marrying the son of middle-class Arab immigrants. The most poignant conflict in the book is an icy feud between two former best friends, Elena and Cecilia, in which sexual betrayal is compounded by the ethnic ostracism of the resident Arabs.

Benitez, a Puerto Rican writer who spent part of her youth in El Salvador, demonstrates a convincing feel for the Salvadoran culture, topography and idiom. And she is unusually deft at using an expression in Spanish, then slipping an English translation into the dialogue almost without the reader noticing.

But when it comes to serious political issues, "Bitter Grounds" veers repeatedly into polemics, as if the author were too angry and urgent in her mission to step back and sort through the grayness of human weakness and contradiction — the very elements that elevate fiction into truth.

Just when the novel reaches its fatal showdown, Benitez pulls her punches. Victor's true identity, which readers have waited 400 pages for the other characters to learn, is revealed in a clumsy anticlimax on the last page, while the grieving Jacinta flees to Miami, where her long-lost lover miraculously reappears.

Pamela Constable writes about immigrants and Latino issues for The Washington Post.

CHESS

By Robert Byrne

THE United States Cadet Championship, was won by Justin Sarkar of Scarsdale, New York. In the fifth round, Sarkar, 15, shone in a spirited battle against Jordy Mont-Reynaud, 13, of Palo Alto, California. Sarkar also made it clear that he was very well versed in the latest complexities of the Slav Defense.

In the Semi-Slav Variation with 4...dc, the rare 5 Bg5 is an aggressive mobilization that is getting some attention currently. One point is that it bypasses the uncertain Noteboom Variation, 5 a4 Bb4 6 e3 b5 7 Bd2 a5 8 ab Bc3 9 Bc3 cb 10 b3 Bb7 11 bc b4 12 Bb2 Nf6 13 Bd3 Nbd7 14 O-O Qc7 15 Re1 O-O 16 e4 e5.

Semko Semkov of Bulgaria introduced the two-edged 5...f6!? in 1987 to save a tempo; it weakens the h5-e8 diagonal, but prevents incursions at e5 and g5.

It might have been better to substitute 9 Rc1 for 9 e3, with the idea that 9...Qd5 10 Ng3 Nd7 11 e4 sees White getting his pawn back with the superior position.

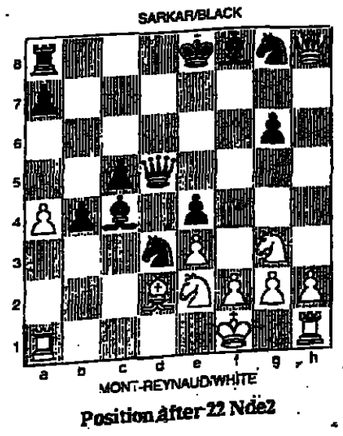
Sarkar's 11...e5!? enabled him to escape being run over in the center. After 12 de fe 13 bc, he could not take a pawn with 13...Bc4? in view of 14 e4 Qe6 (or 14...Qc5 15 Be3) 15 Ng5, winning the errant queen bishop. But after 15 Bd3?, he saw the chance for 15...Bc4!

Mont-Reynaud had evidently on 15 Ng5 Qd5 16 Qh5 g6 17 Bg6 hg 18 Qh8 to win material, but Sarkar had foreseen that the most important factor in this situation was the frail location of the white king in the center. He bored in powerfully with 18...Nc5! 19 Nf3 Nd3 20 Kf1 e4 21 Nd4 c5.

Neither 22 Nb5 Nf2! 23 Kg1 O-O-O 24 Be1 Nh1 25 Kh1 a6, nor 22 Nb5 Nf2! 23 Ke1 O-O-O 24 Bc1 Qd1! 25 Kf2 Rd2! 26 Bd2 Qd2 27 Ne2 Qe2 28 Kg3 Qe3 29 Kg4 Be6 30 Kh4 Be7 offered any hope.

But after 22 Nde2, Sarkar struck with 22...Qf7!, threatening both 23...Qf2 mate and 23...Bg7, forking queen and rook. Mont-Reynaud could hold this off for a moment with 23 Ne4, but after 23...Qe7! (avoiding the blunder, 23...Bg7? 24 Nd6), he could not help but drop a piece.

And on came the black attack with 25...Bh6! 26 Kg1 Nf2! Since 27 Kf2 would not withstand 27...Qe3 28 Kf1 Qe2 29 Kg1 Be3 mate, Mont-Reynaud tried 27 Rf1, when Sarkar's 27...Be3 28 Rf2 Bf2 29 Kf2 Qe2 made short work of the struggle. After 32...g5, Mont-Reynaud gave up in the face of 33 Kh3 Qf3 mate or 33 Kh5 Bf7 mate.



Position after 22 Nde2

SLAV DEFENSE

White M'-R'n'd	Black Sarkar	White M'-R'n'd	Black Sarker
1 d4	d5	17 Bg6	hg
2 c4	c6	18 Qh8	Nc5
3 Nc3	e6	19 Nf3	Nd3
4 Nf3	dc	20 Kf1	e4
5 Bg5	f6	21 Nd4	c5
6 Bd2	b5	22 Nde2	Qf7
7 a4	b4	23 Ne4	Qe7
8 Ne4	Ba6	24 N4c3	bc
9 e3	Qd5	25 Bc3	Bh6
10 Ng3	Nd7	26 Kg1	Nf2
11 b3	e5	27 Rf1	Be3
12 de	fe	28 Rf2	Bf2
13 bc	Qe6	29 Kf2	Qe2
14 Bd3	Bc4	30 Kg3	Qe3
15 Ng6	Qd5	31 Kh4	Qf4
16 Qh5	g6	32 g4	g5
		33 Resigns	

EMERGING MARKETS INVESTOR CONFERENCES

Sponsored by: Standard Bank of South Africa TREASURY

28 & 29 October 97 LONDON

Profiting from the New Opportunities for Foreign Investment in

South Africa

CONFERENCE HIGHLIGHTS

- Evaluate the key influences, trends, and market dynamics determining the future investment opportunities in South Africa
- Learn how to develop an optimal investment strategy from a top ranking fund manager
- Assess the impact of economic and political developments on foreign investment opportunities
- Analyse the relationship between the economy of South Africa and its neighbouring regions including Zambia, Zimbabwe, Botswana and Mozambique
- Maximise profitability in the domestic fixed income market, Eurorand market, derivatives market and equity markets
- Examine alternative investment opportunities offered by parastatals in South Africa

EXPERT PANEL OF PRACTITIONERS

Alliance Capital Limited • Old Mutual Asset Managers • JP Morgan • UBS
Robert Fleming • Hambros Bank • Rand Merchant Bank • Bankers Trust
Smith Borkum Hare/Merrill Lynch • BZW • BMW (South Africa) (PTY) Limited
Investec Securities • The Standard Bank of South Africa Limited • TD Securities
HSBC Simpson McKie • Nedbank Investment Bank • Transnet Limited

Profiting from the New Opportunities for Foreign Investment in South Africa XDE0004/IHT

Places are strictly limited so reserve your seats by completing and returning this coupon

☐ Yes, please provisionally reserve me _____ places (subject to seeing the full brochure) ☐ Please send me the full brochure

Name _____ Job title _____

Company _____

Address _____

City _____ Postcode/zip _____ Country _____

Tel _____ Fax _____ e-mail _____

Please return this completed coupon to: Paul Nevin, Emerging Markets Investor Conferences, 104-112 Marylebone Lane, London W1M 5FU

Tel: +44 (0) 171 487 0707 Fax: +44 (0) 171 487 0715 EMail: 100726.60@compuserve.com

Look Homeward: A New Twist in Hong Kong Shopping

Stephen Shaver/Agence France-Presse

Clockwise from top left: Balbina Wong of Lane Crawford with Chinese dinner service in French porcelain; new-generation makeup at Joyce; Chinese looks from Shanghai Tang, and Miss Hong Kong, Charmaine Sheh, at Joyce.

By Suzy Menkes
International Herald Tribune

HONG KONG — She is a young Chinese woman with flashy jewels, an insatiable appetite for designer clothes and a wad of cash from her Shanghai sugar daddy. This is Hong Kong's mythical new big spender.

Mistress power was given credibility by the indictment last week of a Beijing party chief accused of graft after allegedly spending millions while engaging in an extramarital affair.

But when stores all spin the same yarn to explain how they are surviving tough times, it is wise to be skeptical.

For the truth is that after two decades as a shopping paradise, Hong Kong shops are hurting. Mainland Chinese high rollers cannot plug the gap left by vanishing Japanese shoppers. Scared off by the weak yen, political anxiety and glitzy Hong Kong prices, Japanese tourism dropped 61.7 percent in July from July 1996.

More trouble is brewing, with the currency turmoil in Southeast Asia likely to have an impact on other tourist spending. And there are early signs that Hong Kong's shopping society is in flux. Sure, there are yet more malls under construction and on the drawing board. But dismal figures from upmarket stores show that high fashion has flopped for the first time since Hong Kong took up designer labels 25 years ago.

Other straws in the trade winds: The medium-price market is expanding, dress-down, casual sportswear has taken over, a subversive fashion element is creeping into junior clothes, and there is a new focus on home decorating and entertaining. In other words, Hong Kong's go-go consumerism seems to be moving the way of the West.

The most upbeat example of changing times is Shanghai Tang, which challenges Western fashion imperialism with China Pride. When the entrepreneur David Tang opens a Madison Avenue emporium in November, New Yorkers will see the eye-popping lime green, pink and orange that create a hallucinatory revision of Chairman Mao's drab uniforms. The Hong Kong Central store offers velvet cheongsams and brightly lined Chinese jackets, as well as silk photo albums, Day-Glo towels and irreverent gifts, among traditional bales of silk for made-to-order tailoring. The Tang concept is about cheap and cheerful marketing, not a fashion revolution, but one million customers last year crossed the psychedelic mosaic-patterned floors.

"The whole idea is to revitalize Chinese design — there is a resurgence of national pride — and we are the first Chinese lifestyle brand to go back to the roots of 4,000 years of history and culture," says Jeremy Tromp, Tang's CEO, who cites the chinoiserie effects in Prada's last collection to prove that China is a hot fashion story.

Ah, Prada! Along with fellow Italian brand Gucci, it seemed to be the only designer label still packing them in at the bustling Pacific Place mall over the weekend. Joyce Boutique, the high-fashion group that has rolled out Prada through Asia, has also had a difficult year. Its designer shops in the Pacific area posted a loss of 12.4 million Hong Kong dollars ($1.6 million), compared with profit of 65 million dollars the previous year — attributed to the Japanese tourist drought, delays in planned store openings and a disastrous entry to the Bangkok market as the economy crashed.

"It is a critical moment — it will sharpen our vision," said Roberto Dominici, Joyce's managing director, laying out future expansion plans for 18 new boutiques.

Dominici says that he is wary of expansion in Southeast Asia but that his strategy is for constant fashion renewal, by changing the designer names and the mix in stores. (Read: dumping lines like Donna Karan that aren't selling). He describes it as "giving space to the winning brands," which are currently Prada and its junior Miu Miu line, Jil Sander and Armani, where a menswear private showing last week was packed with yuppie thirtysomething lawyers and bankers snapping up business suits.

Stephen Shaver/AFP

Assessing Armani menswear at a client show.

YET the Joyce store opening of the season was Monday's party for Dries Van Noten, the Belgian designer of tactile, low-key clothes. Other avant-garde designers are grouped at the new 47,000-square-foot (4,400-square-meter) Joyce on Nathan Road, Kowloon, where the store itself (Zen-like decor stroked with Chinese lacquer red) and the new-generation beauty products express the changing consumer spirit.

"Hong Kong is a changing society," admits Joyce Ma, the company's founder. "Now there is a middle class cropping up. I am sure that the people who have money will still spend a lot on appearances and they are still very brand conscious. But I don't know if they will spend it in Hong Kong or abroad."

Home is where the growth is, according to Balbina Wong, executive director of Lane Crawford — a dowager department store that is undergoing a face-lift and struggling to project into the 21st century. Whether pollution or social ennui is behind the cocooning, upscale folk are upgrading their decor.

"Twenty years ago no one entertained at home," says Wong, whose four Hong Kong stores record locals buying wine glasses, as they switch from hard liquor. Mainland Chinese tycoons are big spenders on crystal, bed linen and French porcelain, where Wong badgered luxury houses to include Chinese bowls and cups in dinner services.

IT may be significant that the succulent City'Super food hall seems to be pulling the crowds at Times Square, a new high-rise, vertical shopping mall constructed by Lane Crawford's umbrella property company. The light, modern store is part of the makeover designed to appeal to young Chinese customers.

"Hong Kong will be my showcase, but China is my vision," says Wong, who already finds that the jewelry departments are a magnet for mainland Chinese shoppers.

The future of Hong Kong shopping may now depend on the retailers' skill in serving consumers in different stages of maturity. While young mainland Chinese women were jamming the gold-and-diamond jewelry boutiques on Sunday, hip Hong Kongers were surging into the Green Peace flagship store on Causeway Bay. There the metal girders, rough wooden staircase and "destroyed" decor houses designers like W&LT, Alexander McQueen and Katharine Hamnett, whose fashion message is ironic and subversive rather than show-off.

No one could suggest that born-to-shop tai-tais (*wealthy Chinese wives*) are in retreat or that sportswear logos from Nike through Tommy Hilfiger are fading out. But, like the young Japanese consumer, Hong Kong's new generation may rebel, challenging the status quo of the status symbol.

Near Shanghai Tang on Pedder Street, Kin Yeung has an even more revolutionary fashion vision. In his Blanc de Chine company, he is reworking Chinese clothes in soft silk and subtle colors to create a modernist and minimalist collection as pure and subtle as a Chinese painting. "Beyond making money, I hope to show the value of the traditional Chinese culture, to reflect not only the outward aesthetic but the spiritual aspect," says Yeung. "In the 1990s, people are looking beyond materialism, and what is good should be good for ever."

In status-conscious, money-fueled Hong Kong, where a designer outfit might get only a single wearing, you can't get a much more radical fashion voice than that.

"In" People are there

Modamilano

October 3 - 7, 1997

1998 Spring/Summer Collections
Fiera Milano - Entrance Piazza VI Febbraio

Phone ++39/2/66.103.555 Fax ++39/2/66.101.638

Organized by EFIMA - EXPO CTS

ESCADA
in Paris
NEW COLLECTION
FALL-WINTER
1997
Marie-Martine
8, rue de Sèvres,
Paris 6th
Tel: 01 42 22 18 44

...n Stokes Euro Debate

CHINA: Plea on Crackdown

YELTSIN: ... Showdown

swissair
world's most refreshing airline.

Herald Tribune INTERNATIONAL
BUSINESS/FINANCE
TUESDAY, SEPTEMBER 16, 1997

swissair
world's most refreshing airline.

U.S. Has Much to Lose In Free-Trade Battle

By Reginald Dale
International Herald Tribune

WASHINGTON — Trade has long been the lifeblood of empire. Flourishing commerce helped underpin the Pax Romana and the supremacy of Victorian Britain. American dominance in the late 20th century rests as much on leadership of the open world trading system as on military power.

That leadership over the past 50 years has brought unprecedented prosperity to Americans and to millions of others around the globe. It helped win the Cold War and make the United States the world's largest and arguably the most competitive trading nation.

THINKING AHEAD
COMMENTARY

So it seems astonishing that Americans would choose this moment to question the benefits of trade — and, of course, many of them don't. Most economists and many thoughtful politicians of both main parties, including President Bill Clinton, fully understand its advantages.

And yet Mr. Clinton is facing one of the most serious battles of his presidency over free trade, and one that, for the first time, he might lose. It is important, both for America and for the rest of the world, that he put more effort into winning.

The fight is over a seemingly technical procedural issue that has caused little trouble in the past: a request to Congress by Mr. Clinton for "fast-track" authority to negotiate new international trade agreements.

Without such authority, which ensures rapid congressional approval or rejection of trade pacts without amendment, other countries would be unwilling to negotiate seriously with Washington. The U.S. drive to open world markets for its exporters would falter.

But an incongruous coalition of left-wing Democrats, right-wing Republicans, isolationists, labor unions and other special interests is gearing up to oppose fast track, mainly for fear that further trade liberalization will undercut American jobs and wages.

Such fears are largely groundless. Successive studies have shown that the United States depends increasingly on trade for job creation and that export-related jobs pay better than others. Foreign competition has improved American efficiency and helped keep inflation down. The economy is at virtually full employment.

Of course, some people — mainly the unskilled — and some industries may be hurt by trade liberalization. There is a perfectly legitimate debate under way in the U.S. Congress and elsewhere over whether trade policy should be used to encourage developing countries to improve their labor and environmental standards in the interests of fairer trade.

These issues should certainly not be evaded. But the opponents of fast track should not be allowed to get away with exaggerating them to the point at which they blind Washington to America's broader economic and global interests.

As the Democratic Leadership Council, a moderate Democratic policy group, cogently argued in a recent paper: "It is simply unfair to elevate the interests of industries or groups threatened by international competition above the interests of workers in exporting industries; of consumers; of communities that benefit from foreign investment; and of every American who benefits from steady growth, low unemployment and low inflation."

In theory, Mr. Clinton agrees with that. But in practice he has treated fast track more like an issue of internal Democratic Party politics.

Instead of putting free trade first, his priority seems to have been to placate the anti-fast-track faction so as to protect the flank of Vice President Al Gore from a challenge by the protectionist Dick Gephardt, the House minority leader, in the next presidential elections.

By doing so, Mr. Clinton risks losing the political majority for free trade that all postwar presidents have been able to call on when it really mattered. If that happens, Mr. Clinton will have carelessly hastened the day when the Pax Americana goes the way of its illustrious Roman predecessor.

Unemployed steel workers in Sheffield, England, deciding to start a striptease act in a surprising new hit movie. Stills

How a Studio Made 'the Monty' Full

By Bernard Weinraub
New York Times Service

LOS ANGELES — More than a year ago, executives at Fox Searchlight Pictures, a division of Twentieth Century-Fox Film Corp., began watching the dailies — scenes that had just been filmed — of "The Full Monty."

The low-budget British comedy-drama, costing about $3 million, is about a group of unemployed steel workers in Sheffield who decide to start a striptease act not only to earn money but also to give them some self-esteem. The men are down on their luck, and their physiques are far, far from ideal.

"As soon as we saw the dailies, we knew we had something special," said David Dinerstein, senior vice president of marketing at Fox Searchlight.

Peter Cattaneo, the film's director, added: "It's about self-esteem and self-image and men's changing role in society. It's a comedy with a serious tone because it's about real people and real issues."

How the company marketed and released a British film with no movie stars, no explosions or car chases or special effects is, in some ways, a lesson in the way behind-the-scenes decisions are made in Hollywood. In the case of "The Full Monty," the decisions appear to have worked up to a point — the film has received almost uniformly positive reviews and will probably emerge as one of the most successful smaller movies in years.

Several rival distribution executives said, though, that the film had been released far too slowly around the United States and might have damaged its box-office prospects — a criticism rejected by Fox Searchlight executives.

The film's cost of about $3 million is a pittance by Hollywood standards. During the last weekend the movie expanded to 75 markets around the country. The film's popularity is underscored by the fact that it is now No. 6 at the box office while playing at only 386 theaters. In contrast, the No. 7 film, Metro-Goldwyn-Mayer's "Hoodlum," is playing at 2,020 theaters.

[According to The Associated Press's data on weekend ticket sales, "The Full Monty" was the No. 3 film in the United States, with estimated sales of $3.3 million, on Friday, Saturday and Sunday.]

Executives at Fox Searchlight said they were hopeful that the movie's success might eventually rival that of "Four Weddings and a Funeral," an unexpected 1994 hit that in the end grossed more than $52 million — although that hope might prove too optimistic.

In any event, the film is by far the biggest success at Fox Searchlight, a division set up by Fox to release smaller, artier films.

The division has been struggling, with disappointments such as "She's the One," "Stealing Beauty," "Blood and Wine" and "Smilla's Sense of Snow."

The success of "The Full Monty" at the Sundance Film Festival in January was followed by test screenings in London and Los Angeles.

"The numbers went through the roof," Mr. Dinerstein said, referring to the results from what are, essentially, score cards filled out by audience members about a movie after a screening.

What followed then was an aggressive marketing campaign to build up audience interest in such cities as New York, Boston, Chicago, Los Angeles and Philadelphia about a film with an odd title ("the full Monty" is a British phrase that means men revealing everything) and a cast without stars.

Free screenings were held in these cities — initially aimed at women 25 and older.

Malaysia Postpones Bakun Dam Stock Sale

Compiled by Our Staff From Dispatches

KUALA LUMPUR — The financial crisis in Southeast Asia jarred the region again Monday as Bakun Hydroelectric Corp. of Malaysia delayed its 3 billion ringgit ($1.01 billion) initial public offering and Thailand's central bank said its foreign reserves had plummeted.

The bank said foreign reserves fell by $2 billion to $25.9 billion in the two weeks to Aug. 29, despite receiving $1.6 billion from the International Monetary Fund.

The drop in reserves was much more than expected, according to Arporn Chewakrengkai, chief economist for Deutsche Morgan Grenfell, who said that if the decline continued at the same rate, Thailand's financial stability would be in jeopardy.

Meanwhile, in Malaysia, analysts welcomed the decision by Bakun to delay its stock sale to try to keep Malaysia's current-account deficit in check.

"That's exactly what the market has been calling for," James Lau, chief executive officer at SBB Securities in Kuala Lumpur, said.

Bakun announced the postponement of the offering, which would have been Malaysia's largest so far, in a letter dated Friday and sent to Malaysian stockbrokers and merchant bankers. In the sale, 54 local stock brokerages and merchant-banking concerns were to sell 1.5 billion shares at 2.00 ringgit each. The letter did not say when the shares would be sold.

Two weeks ago, to reassure investors that it was taking steps to slash its current-account deficit — imports of goods and services minus exports — Malaysia said it was shelving three large, import-dependent projects. The 13.5 billion-ringgit Bakun Dam in the eastern Malaysian state of Sarawak was one of them.

The postponement came as Indonesia cut rates on its benchmark SBI government bills for the third time in two weeks in an effort to relax a credit squeeze that has threatened to cut economic growth. The benchmark three-month SBI rate was cut to 21 percent from 23 percent. *(Bloomberg, AFP)*

Sara Lee Begins a $3 Billion Buyback

Compiled by Our Staff From Dispatches

CHICAGO — Sara Lee Corp. on Monday unveiled an extensive three-year plan to sell businesses and cut costs to raise $3 billion for the largest stock buyback in its history.

The restructuring means Sara Lee effectively will get itself out of the business of manufacturing many of the goods it sells. It instead will focus on building its brand names, analysts said.

The Chicago-based maker of Ball Park franks, Hanes underwear and Coach leather goods said it expected to take a $1.6 billion charge in the year ending in June 1998.

The charge is related to the sale and write-down of assets that do not fulfill its plan of building global brands.

The stock buyback is scheduled to take place over three years in the open market. The company plans to buy back about 15 percent of its capital, or 70.5 million shares, based on Friday's total of 480.3 million shares outstanding.

As part of the restructuring, the company said it had entered talks to sell its knit-related yarn and textile operations. That sale would generate $500 million in cash over the next three years, the company said.

Sara Lee also plans to sell other assets, including food and nonfood businesses in subsequent deals over the course of the three-year period.

Sara Lee's restructuring follows similar moves by rivals Campbell Soup Co. and H.J. Heinz Co., which lifted the price of their shares.

"They are responding to pressure to streamline their operations," said Tim Ramey, an analyst with Deutsche Morgan Grenfell.

"Sara Lee has had superior earnings predictability yet has been valued well below the rest of our coverage group," said John Renwick, an analyst with Morgan Stanley Dean Witter.

"This restructuring could be aggressive enough to renew investor interest."

Sara Lee's shares surged $6.1875 to close at $48.75.

(AP, Bloomberg, Reuters)

Action on EMU Lifts Europe's Markets

By Tom Buerkle
International Herald Tribune

LONDON — The Deutsche mark rose Monday after European finance ministers advanced an element of monetary union and the Bundesbank president fanned expectations of a rise in German interest rates.

Most European stock markets also gained, reacting favorably to the weekend decision by European Union ministers to announce the method of fixing exchange rates among countries launching the single currency — after those countries have been selected — in May 1998 instead of waiting until 1999.

"The markets are rushing to anticipate the endgame" of monetary union, said Ricardo Barbieri, economist at Morgan Stanley International in London.

Besides increasing confidence in the schedule for monetary union, analysts said, moving up the fixing of exchange rates was also likely to hasten the convergence of interest rates across Europe.

That could translate into a rise in rates in Germany and other faster-growing economies to nip inflationary pressures in the bud and corresponding cuts in such high-rate countries as Italy and Spain.

Finland's central bank moved immediately, raising its key short-term rate by one-quarter point, to 3.25 percent, Monday.

Hans Tietmeyer, the Bundesbank president, fueled speculation about a German rate increase by saying that the central bank's room for maneuver "gets narrower" after next May.

"If anything, it probably brings a Bundesbank tightening forward," Brendan Brown, an economist at Mitsubishi Finance International, said of the EU decision. "The Bundesbank has eight months to run a monetary policy on the basis of what's good for Germany rather than on the basis of what's good for

See EMU, Page 14

CURRENCY & INTEREST RATES

Cross Rates

Sept. 15

	$	£	D.M.	F.F.	Lire	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.9845	3.1885	1.1262	0.335	0.1154*	—	5.4555*	1.3677	1.6505*	1.427	1.3335*
Brussels	36.70	58.35	20.6475	6.1435	2.1177*	18.333	—	24.9975	0.302	26.38	24.5075*
Frankfurt	1.7645	2.8276	—	0.2975	0.1025*	0.888	4.8439*	1.2182	1.4603*	1.267	1.1844*
London (a)	1.6051	—	2.83	9.5069	2,768.28	3.1867	58.3757	2.3301	193.0475	2.234	238.825
Madrid	148.423	238.115	84.451	25.123	8.65*	74.988	4.0908	102.361	123.408*	106.702	—
Milan	1,728.80	2,762.85	976.00	290.38	—	866.90	47.292	1,181.35	14.317	1,237.05	11.557
New York (b)	—	1.6063a	1.7685	5.9165	1,718.00	1.9825	36.39	1.4455	120.175	1.3921	148.35
Paris	5.9078	9.478	3.3615	—	3.3443*	2.9848	0.1628	4.8744	4.9121*	4.2472	3.9805*
Tokyo					Closed						
Toronto	1.3918	2.2352	0.7884	0.2346	0.0809*	0.701	0.3825*	0.9615	1.1569*	—	0.935*
Zurich	1.4589	2.30	0.233	0.2449	0.0844*	0.739	3.9986*	—	1.2061*	1.6402	0.9742*
1 ECU	1.1175	0.6965	1.964	6.6018	1,917.37	2.2118	40.5447	1.6203	134.398	1.5544	165.844
1 SDR	1.3664	0.852	2.411	8.0724	2,344.48	2.1856	50.1338	1.9904	163.17	1.6932	202.787

* Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers: New York rates at 4 P.M. and Toronto rates at 3 P.M.
a: To buy one pound: b: To buy one dollar: *Units of 100: N.Q.: not quoted: N.A.: not available.

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9998	Greek drac.	277.55	Mex. peso	7.766	S. Afr. rand	4.673
Australian $	1.3881	Hong Kong $	7.7445	N. Zealand $	1.5708	S. Kor. won	908.60
Austrian sch.	12.36	Hung. forint	195.26	Norw. krone	7.2374	Swed. krona	7.5778
Brazil real	1.0919	Indian rupee	36.48	Phil. peso	32.15	Taiwan $	28.61
Chinese yuan	8.3181	Indo. rupiah	2940.00	Polish zloty	3.50	Thai baht	35.20
Czech koruna	33.58	Irish £	0.6607	Port. escudo	178.70	Turkish lira	169355.
Danish krone	6.69	Israeli shek.	3.4945	Russ ruble	5846.00	UAE dirham	3.671
Egypt. pound	3.3983	Kuw dinar	0.302	Saudi riyal	3.7500	Venez. boliv.	495.75
Fin. markka	5.2404	Malay. ring.	2.97	Sing. $	1.5062		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6017	1.5996	1.5976	Japanese yen	119.76	119.22	118.71
Canadian dollar	1.3881	1.3856	1.3834	Swiss franc	1.4488	1.4475	1.4465
Deutsche mark	1.7542	1.7506	1.7471				

Sources: ING Bank (Amsterdam); Cera Investment Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo);

Libid-Libor Rates

Sept. 15

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 9/16 - 5 5/8	3 - 3 1/8	1 - 1 1/8	7 1/16 - 7 3/16	3 3/16 - 3 1/4	1/2 - 9/16	4 5/16 - 4 1/2
3-month	5 9/16 - 5 5/8	3 1/16 - 3 3/16	1 1/4 - 1 3/8	7 - 7 1/8	3 1/4 - 3 3/8	1/2 - 9/16	4 1/4 - 4 3/8
6-month	5 11/16 - 5 3/4	3 3/16 - 3 5/16	1 1/2 - 1 5/8	7 5/16 - 7 7/16	3 3/8 - 3 7/16	1/2 - 9/16	4 3/8 - 4 7/16
1-year	5 15/16 - 6 1/16	3 7/16 - 3 9/16	1 3/4 - 1 7/8	7 1/4 - 7 1/2	3 9/16 - 3 11/16	9/16 - 5/8	4 7/16 - 4 1/2

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/2	8 1/2
Federal funds	5 3/4	5 1/2
90-day CDs dealers	5.62	5.60
180-day CP dealers	5.51	5.50
3-month Treasury bill	4.98	4.96
1-year Treasury bill	5.24	5.24
2-year Treasury bill	5.91	5.92
5-year Treasury note	6.16	6.17
7-year Treasury note	6.21	6.22
10-year Treasury note	6.27	6.29
30-year Treasury bond	6.57	6.59
Merrill Lynch 30-day RA	5.09	5.09
Japan		
Discount rate	0.50	0.50
Call money	Clsd.	0.38
1-month interbank	—	0.55
3-month interbank	—	0.52
6-month interbank	—	0.54
10-year Govt bond	—	2.22
Germany		
Lombard rate	4.50	4.50
Call money	3.12	3.12
1-month interbank	3.20	3.20
3-month interbank	3.30	3.31
6-month interbank	3.45	3.42
10-year Bond	5.63	5.85
Britain		
Bank base rate	7.00	7.00
Call money	7 1/16	7 1/16
1-month interbank	7 1/8	7 1/8
3-month interbank	7 3/16	7 1/16
6-month interbank	7 5/16	7 5/16
10-year Gilt	6.87	6.91
France		
Intervention rate	3.10	3.10
Call money	3 3/16	3 3/16
1-month interbank	3 1/4	3 1/4
3-month interbank	3 5/16	3 5/16
6-month interbank	3 7/16	3 3/8
10-year OAT	5.54	5.57

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	323.45	321.90	—2.50
London	323.15	322.30	—1.05
New York	325.50	324.80	n.a.

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Dec.)

Source: Reuters.

PRIVATE BANKING

We're not just on the map.
We're all over it.

It's not only our vast worldwide network that keeps us at your side at all times.
It's our total commitment to serving your unique demands, wherever you may be.
From the time we opened our first office in Switzerland in 1876, Credit Lyonnais has earned an enviable reputation for Private Banking based on dialogue and personal relationships.
The founder of Credit Lyonnais, Henri Germain, expressed it most succinctly when he created the bank's motto:
"Business is people, not just figures".
This has been the very essence of our banking philosophy from generation to generation.
We listen well to our clients' priorities as we help them navigate diverse and fast-changing financial markets. Perhaps that is why today we manage more than 9 million private accounts. And why we are often cited as a world reference bank for the private customer.
But there is yet another dimension to a successful banking partnership.
Your banker must make sure you get where you want to go. Providing innovative solutions and insightful answers through in-depth resources and experience in the world's leading marketplaces.

Our Geneva subsidiary, specialized in Private Banking since 1876.

Credit Lyonnais' Private Banking network can always put the financial technology and expertise you need at your finger tips. Precisely when you need it.
The combined strength of these two dimensions – close, trusting partnerships and vast global resources – creates something unique in Credit Lyonnais Private Banking.

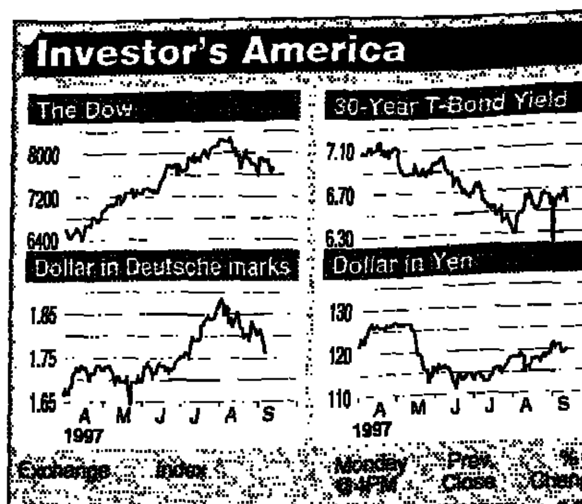
Let's talk.

CL CREDIT LYONNAIS

PRIVATE BANKING NETWORK:
SWITZERLAND: GENEVA TEL. 41 22/705 66 66 - HEADQUARTERS FOR CREDIT LYONNAIS INTERNATIONAL PRIVATE BANKING
BASLE TEL. 41 61/284 22 22 • ZURICH TEL. 41 1/217 86 86 • LUGANO TEL. 41 91/923 51 65
PARIS TEL. 33 1/42 95 03 05 • LUXEMBOURG TEL. 352/476 831 442 • LONDON TEL. 44 171/499 91 46
MONACO TEL. 377/93 15 73 34 • VIENNA TEL. 431/531 50 120 • MONTEVIDEO TEL. 598 2/95 08 67 • MIAMI TEL. 1 305/375 78 14
HONG KONG TEL. 852/28 02 28 88 • SINGAPORE TEL. 65/535 94 77

THE AMERICAS

Investor's America



Exchange	Index	Monday @4PM	Prev. Close	% Change
NYSE	The Dow	7721.14	7742.97	-0.28
NYSE	S&P 500	919.41	923.91	-0.49
NYSE	S&P 100	888.25	894.94	-0.75
NYSE	Composite	482.69	483.30	-0.14
U.S.	Nasdaq Composite	1634.90	1649.34	-0.88
AMEX	Market Value	674.66	672.31	+0.35
Toronto	TSE Index	6790.58	6759.70	+0.46
São Paulo	Bovespa	10930.26	11325.55	-3.49
Mexico City	Bolsa	4859.43	4839.38	+0.41
Buenos Aires	Merval	803.80	814.47	-1.31
Santiago	IPSA General	5488.86	5516.19	-0.51
Caracas	Capital General	N.A.	10568.66	-

Source: Bloomberg, Reuters — International Herald Tribune

Very briefly:

• **Boeing Co.** said a dramatic increase in orders for its jetliners had led to production delays that meant a dozen planes would not be delivered on time this month.

• **Westinghouse Electric Corp.** signed a definitive agreement to sell Thermo King, its transport temperature-control operation, to **Ingersoll-Rand Co.** for $2.56 billion.

• **Planet Hollywood International Inc.** approved a plan to list its shares on the New York Stock Exchange and remove them from the Nasdaq exchange.

• **The government of Bogota** plans to sell stakes in the city-owned power company for about $1.2 billion, one of the largest sales of a Latin American utility.

• **Star Banc Corp.** of Cincinnati is buying **Great Financial Corp.** of Kentucky for $655 million in stock and cash.

• **Woodbridge Co.** sold its 21 percent interest in **Hudson's Bay Co.** to a group of brokerages for 497 million Canadian dollars ($356.7 million), ending the Thomson family's ownership in Canada's oldest retailer.

• **Manor Care Inc.** said it would spin off its nursing-home business, one of the largest in the United States, and keep a unit that would focus on real estate. *Bloomberg, Reuters, AFX, AP*

Weekend Box Office

The Associated Press

LOS ANGELES — "The Game" dominated the U.S. box office over the weekend, with a gross of $14.3 million. Following are the Top 10 moneymakers, based on Friday's ticket sales and estimated sales for Saturday and Sunday.

1. The Game	(Polygram)	$14.3 million
2. G.I. Jane	(Hollywood Pictures)	$3.4 million
3. The Full Monty	(Twentieth Century-Fox)	$3.3 million
4. Money Talks	(New Line Cinema)	$3.2 million
5. Fire Down Below	(Warner Bros.)	$3.1 million
6. Air Force One	(Columbia Pictures)	$3 million
7. Hoodlum	(United Artists Pictures)	$2.6 million
8. Conspiracy Theory	(Warner Bros.)	$2.3 million
9. Excess Baggage	(Columbia Pictures)	$2 million
10. George of the Jungle	(Walt Disney)	$1.7 million

U.S. Move on Microsoft Urged

By Jube Shiver Jr.
Los Angeles Times

WASHINGTON — Stymied in their attempts to persuade the Justice Department to take stronger antitrust action against Microsoft Corp., some U.S. consumer groups are pressing the federal government to buy more software from the rivals of Microsoft.

Ralph Nader, the consumer advocate, raised the issue of the $1 billion software expenditure during a meeting with Douglas Melamed, principal deputy assistant attorney general.

Mr. Nader and Jamie Love, director of the Consumer Project on Technology, argued that it was as unwise for the government to rely on a single software supplier as it would be to depend on a single defense contractor.

"The current procurement standards push the government toward Microsoft products," said Mr. Love, whose Washington-based watchdog group focuses on computer policy matters.

Under a year-old change in procurement practices, federal agencies now can purchase computer products with less government red tape over product specifications and prices.

But many software developers say the change has only strengthened Microsoft's hold on the market, because many federal employees want to use the same Microsoft software products at work as they use at home.

Microsoft's MS-DOS and Windows software operates 80 percent of the world's personal computers, and Microsoft Office software, a collection of word-processing, spreadsheet and other programs, is now the leading bundle of business applications, selling about a million copies a month.

Justice Department officials have not indicated whether they will support Mr. Nader's plan, which the consumer advocate will present this month to the General Services Administration, the federal government's procurement arm.

Mr. Nader could not be reached for comment, and Mr. Melamed declined to comment.

Vivek Varma, a spokesman for Microsoft, based in Redmond, Washington, said the company had not heard of Mr. Nader's proposal, but he said Microsoft's success in the market stemmed from its superior product offerings.

"Government agencies need to get the best value they can for their technology, and Microsoft offers great technology at attractive prices," Mr. Varma said.

Setbacks for Computers And Tobacco Hit Stocks

Compiled by Our Staff From Dispatches

NEW YORK — Stock prices fell Monday as declining computer and tobacco issues overwhelmed increases among shares of companies that were buying back stock and raising dividends.

With no major economic data released Monday, investors were cautious ahead of the Tuesday session, when the government will report on consumer prices for August and the Federal Reserve Board will release a report on industrial production.

Investors and economists are eager to see new economic data that might indicate the economy's direction. In March, the Fed raised interest rates to slow the economy and forestall inflation, and investors fear another increase will come in the final months of this year.

The Dow Jones industrial average finished down 21.83 points at 7,721.14. The broader Standard & Poor's 500-stock index was off 4.50 point at 919.41. The technology-heavy Nasdaq Composite Index dropped 14.43 points to 1,634.90.

Eli Lilly rose 3 5/16 to 111¾ after the maker of the antidepressant Prozac said it would raise its dividend 11

U.S. STOCKS

cent and split its stock 2-for-1. Dell Computer rose ⅜ to 87½ after announcing share buybacks.

"There's probably a little more consistency in earnings in large-cap names," said Tom Milne, chief investment officer at Tennessee Consolidated Retirement System. "In the last two or three days, you've seen a trend toward the Dow stocks."

Mr. Milne said he did not expect much of a rally for stocks, big or small, because they are costly relative to bonds.

The benchmark 30-year Treasury bond was up 5/32 at 97 12/32, lowering its yield to 6.57 percent from 6.59 percent Friday.

Tobacco shares slumped after reports that President Bill Clinton would seek major changes to the settlement with class-action lawyers aimed at capping the industry's liability in smoking-related deaths. Philip Morris fell 1 7/16 to 41 3/16.

Computer issues were affected by Microsoft, which fell 5⅛ to 132 9/16 after confirming a three-month delay in its Windows 98 operating software. Ascend Communications fell 2 9/16 to 32⅝ after another analyst cut his rating of the network equipment maker. *(Bloomberg, AP)*

EMU: *Europe's Markets Get a Lift From Decision to Advance Calendar for Euro*

Continued from Page 13

the euro area as a whole."

The prospect of higher rates pushed German stocks down by nearly 1 percent.

But French stocks gained more than 2 percent, and Spanish stocks rose more than 1.5 percent. Italian stocks ended with little change after a strong opening rally faded, but the lira rallied.

Many analysts and officials are predicting that the EU will agree to fix exchange rates at the central parities of Europe's exchange-rate mechanism because the market has already been converging around those levels.

Most core European currencies traded less than one percentage point away from their parities against the

FOREIGN EXCHANGE

mark Monday, and the expectation that those parities would be fixed irrevocably should keep currencies tied tightly together, barring an unexpected shock.

"It's not a speculator's happy hunting ground anymore," said J. Paul Horne, senior economist at Smith Barney in Paris.

In late trading, the dollar was at 1.7605 DM, down from 1.7715 DM on Friday.

It was also at 120.175 yen, down from 121.00 yen, at 5.9165 French francs, down from 5.9575 francs, and at 1.4455 Swiss francs, down from 1.4635 francs. The pound fell to $1.6063 from $1.6075.

With exchange rates effectively fixed beginning in May, central banks will face stronger pressure to align their interest rates to prevent investors from getting a virtually risk-free windfall by switching from low-yielding marks to high-yielding lire. Short-term Italian interest rates stood at 6.75 percent Monday, more than 3.5 percentage points above comparable German rates.

Senior Bundesbank officials have expressed growing concern about price pressures in recent weeks because of the mark's relative weakness, fast money-supply growth and accelerating economic growth.

Prices in Western Germany rose at a 2.3 percent rate in the six months to mid-August.

Many economists expect the Bundesbank to lift rates a quarter-point in coming weeks and say the rate could reach as high as 4.5 percent by next May.

Equity Office to Buy Beacon

Bloomberg News

CHICAGO — Equity Office Properties Trust, headed by the financier Sam Zell, said Monday that it had agreed to buy Beacon Properties Corp. for $4 billion in stock and assumed debt, expanding its portfolio of office holdings by more than 50 percent.

Under the agreement, Beacon shareholders will swap each of their shares for 1.463 shares of Equity Office.

The move comes just over two months after Zell took Equity Office public to gain capital and finance an expansion of his holdings.

Equity Office is the largest U.S. owner of office buildings. Including pending acquisitions, it owns 109 properties with 36.8 million square feet (3.3 million square meters) of space in cities from San Francisco to Boston. It also owns 15 parking garages.

Beacon owns about 120 buildings with 19 million square feet of space in Boston, Atlanta, Washington, Chicago and California.

AMEX

Monday's 4 P.M. Close
The top 300 most active shares, up to the closing on Wall Street.
The Associated Press.

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

INTERNATIONAL FUTURES

Sept. 15, 1997

	High	Low	Latest	Chge	OpInt
Grains					
CORN (CBOT) 5,000 bu minimum- cents per bushel					
Sep 97	267½	264¼	267	+¾	4,417
Dec 97	266	262¼	265¾	+1½	192,298
Mar 98	274¼	271	274½	+1½	55,962
May 98	279½	275½	279¼	+1¼	13,645
Jul 98	283	279	282¾	+1¾	23,510
Sep 98	274	272	273¾	+1¼	1,684
Dec 98	271¼	269½	271½	+1¼	14,392
Est. sales 48,000 Fri's sales 70,831					
Fri's open int 306,071, up 3,373					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Sep 97	269.00	265.30	268.00	-1.90	4,257
Oct 97	226.50	222.40	225.90	-0.50	23,370
Dec 97	211.50	207.20	210.30	unch.	45,094
Jan 98	207.00	203.30	207.00	+0.90	11,293
Mar 98	201.50	198.50	201.50	+0.60	10,565
May 98	199.50	197.00	199.50	+1.00	8,828
Est. sales 15,000 Fri's sales 17,573					
Fri's open int 109,447, up 549					
SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb					
Sep 97	22.82	22.48	22.82	+0.32	880
Oct 97	22.97	22.56	22.91	+0.33	17,807
Dec 97	23.20	22.76	23.2?	+0.40	40,745
Jan 98	23.50	23.08	23.47	+0.39	12,650
Mar 98	23.73	23.35	23.73	+0.35	7,874
May 98	23.95	23.50	23.95	+0.41	3,546
Est. sales N.A. Fri's sales 12,900					
Fri's open int 88,143, up 927					
SOYBEANS (CBOT) 5,000 bu minimum- cents per bushel					
Sep 97	735	710	734½	+12½	3,241
Nov 97	635½	627	634¼	+3½	92,687
Jan 98	638	630	637¾	+4½	21,939
Mar 98	644	636½	643½	+4¼	9,084
May 98	650	643	649½	-3¼	7,267
Est. sales 38,000 Fri's sales 49,395					
Fri's open int 145,492, up 2,931					
WHEAT (CBOT) 5,000 bu minimum- cents per bushel					
Sep 97	359	352½	356	-2½	382
Dec 97	374	366½	369½	-5¼	64,509
Mar 98	387	380½	383½	-4¾	23,629
May 98	391	386½	389½	-2¼	4,353
Est. sales 20,000 Fri's sales 20,596					
Fri's open int 104,102, off 472					
Livestock					
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Oct 97	69.55	68.67	68.97	-0.45	33,095
Dec 97	70.12	69.45	69.82	-0.32	31,068
Feb 98	72.57	71.77	72.07	-0.42	15,269
Jun 98	71.52	71.05	71.32	-0.12	6,186
Aug 98	71.20	70.80	71.00	-0.05	1,515
Oct 98	73.85	73.35	73.85	+0.10	19
Est. sales 15,779 Fri's sales 11,134					
Fri's open int 94,699, up 469					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb					
Sep 97	80.95	80.55	80.82	+0.30	2,354
Oct 97	81.96	81.35	81.77	+0.42	7,138
Nov 97	82.70	82.00	82.37	+0.42	4,229
Jan 98	83.20	82.60	82.92	+0.22	2,757
Mar 98	82.70	82.20	82.50	+0.07	1,718
Apr 98	82.65	82.20	82.52	+0.17	527
Est. sales 4,164 Fri's sales 4,488					
Fri's open int 19,349, up 755					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Oct 97	71.30	70.42	71.00	+0.25	15,234
Dec 97	67.60	66.62	67.07	-0.10	9,984
Feb 98	66.12	65.35	65.80	+0.02	3,673
Apr 98	62.75	62.15	62.30	-0.20	1,721
Jun 98	67.65	67.25	67.32	-0.02	949
Est. sales 6,403 Fri's sales 7,404					
Fri's open int 32,719, off 396					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Feb 98	68.60	67.55	67.95	-0.10	4,510
Mar 98	68.50	67.50	67.75	+0.07	436
May 98			67.50	unch.	87
Est. sales 2,242 Fri's sales 1,650					
Fri's open int 5,084, off 210					
Food					
COCOA (NCSE) 10 metric tons- $ per ton					
Sep 97	1641	1596	1641	+17	14
Dec 97	1655	1621	1651	+11	42,876
Mar 98	1685	1659	1682	+8	28,369
May 98	1702	1683	1702	+8	12,605
Jul 98	1722	1713	1722	+9	3,020
Sep 98	1740	1710	1740	+9	4,899
Est. sales 5,010 Fri's sales 12,548					
Fri's open int 107,712, up 327					
COFFEE C (NCSE) 37,500 lbs.- cents per lb					
Sep 97	190.00	185.00	187.00	-1.25	277
Dec 97	175.00	170.00	172.90	+0.55	14,183
Mar 98	159.25	157.00	158.25	+0.85	4,894
May 98	153.00	151.00	151.75	+0.75	1,657
Jul 98	147.00	144.00	145.25	+0.75	1,351
Est. sales 4,747 Fri's sales 11,779					
Fri's open int 22,994, off 1,037					
SUGARWORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Oct 97	11.43	11.15	11.32	-0.17	69,488
Mar 98	12.01	11.72	11.87	-0.22	87,489
May 98	11.97	11.77	11.90	-0.15	19,836
Jul 98	11.77	11.65	11.71	-0.12	14,562
Est. sales 53,525 Fri's sales 22,388					
Fri's open int 295,456, up 3,446					

	High	Low	Latest	Chge	OpInt
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Nov 97	69.70	69.10	69.45	-0.30	18,663
Jan 98	72.50	71.90	72.25	-0.25	8,962
Mar 98	75.50	74.95	75.20	-0.30	5,691
May 98	78.25	78.10	78.10	-0.15	1,380
Est. sales N.A. Fri's sales 1,453					
Fri's open int 35,831, up 227					
Metals					
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Sep 97			322.90	-1.00	46
Oct 97	324.70	321.80	323.30	-1.50	19,563
Nov 97			323.80	-1.50	
Dec 97	326.20	323.40	324.70	-1.50	118,037
Feb 98	327.40	325.00	326.00	-1.60	15,601
Apr 98			327.60	-1.60	5,386
Jun 98	329.40	328.70	329.40	-1.70	8,653
Aug 98			331.30	-1.70	4,327
Oct 98			333.30	-1.70	279
Est. sales 48,000 Fri's sales 39,175					
Fri's open int 214,472, up 5,840					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Sep 97	94.50	93.60	94.30	+0.30	2,769
Oct 97	94.70	94.35	94.60	+0.20	2,970
Nov 97	95.60	95.30	95.30	+0.10	1,652
Dec 97	96.00	94.40	95.90	+0.50	28,063
Jan 98			96.10	+0.50	941
Feb 98			96.20	+0.50	942
Mar 98	96.40	95.30	96.40	+0.60	3,740
Apr 98	96.70	96.40	96.40	+0.60	687
May 98	96.70	95.50	96.40	+0.60	2,160
Est. sales 6,500 Fri's sales 7,915					
Fri's open int 50,242, off 1,775					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Sep 97	472.00	470.50	470.50	-1.50	282
Oct 97			471.40	-1.80	78
Nov 97			474.80	-1.80	
Dec 97	478.00	473.50	475.70	-1.80	54,480
Jan 98			477.20	-1.80	22
Mar 98	483.50	480.00	482.50	-1.80	11,805
May 98			486.50	-1.80	3,216
Jul 98			490.60	-1.80	2,380
Est. sales 8,000 Fri's sales 11,464					
Fri's open int 78,064, up 589					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Oct 97	429.50	424.00	427.00	-0.70	9,748
Jan 98	418.00	413.00	416.80	+0.10	2,516
Apr 98	410.00	409.80	409.80	+0.10	457
Jul 98			405.80	+0.10	2
Est. sales N.A. Fri's sales 1,582					
Fri's open int 13,723, off 432					

LONDON METALS (LME)
Dollars per metric ton

			Close		Previous
Aluminum (High Grade)					
Spot	1598.00	1599.00		1611.00	1612.00
Forward	1614.00	1615.00		1621.00	1622.00
Copper Cathodes (High Grade)					
Spot	2073.00	2075.00		2070½	2072½
Forward	2103.00	2105.00		2096.00	2097.00
Lead					
Spot	632.00	633.00		629.00	630.00
Forward	643.00	644.00		640.00	641.00
Nickel					
Spot	6380.00	6390.00		6445.00	6450.00
Forward	6480.00	6490.00		6540.00	6545.00
Tin					
Spot	5425.00	5430.00		5435.00	5445.00
Forward	5480.00	5490.00		5485.00	5495.00
Zinc (Special High Grade)					
Spot	1593.00	1598.00		1589.00	1594.00
Forward	1400.00	1401.00		1397.00	1399.00

	High	Low	Close	Chge	OpInt
Financial					
US T BILLS (CMER) $1 million- pts of 100 pct.					
Dec 97	94.91	94.89	94.89	unch.	4,441
Mar 98	94.89	94.87	94.87	unch.	1,636
Jun 98			94.73	unch.	
Est. sales 814 Fri's sales 212					
Fri's open int 6,319, off 256					
5 YR TREASURY (CBOT) $100,000 prin- pts & 64ths of 100 pct					
Sep 97	107-03	106-61	107-02	+ 02	35,735
Dec 97	106-47	106-38	106-44	+ 02	207,295
Est. sales N.A. Fri's sales 79,874					
Fri's open int 243,030, off 170					
10 YR TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Sep 97	109-15	109-09	109-13	unch.	40,087
Dec 97	109-06	108-30	109-03	+ 01	330,553
Mar 98	108-24	108-23	108-23	+ 01	11,600
Est. sales N.A. Fri's sales 165,676					
Fri's open int 382,240, off 4,931					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Sep 97	113-26	113-15	113-24	+ 05	100,651
Dec 97	113-14	113-02	113-12	+ 05	474,479
Mar 98	113-03	112-26	113-01	+ 05	34,453
Jun 98			112-21	+ 05	2,568
Est. sales N.A. Fri's sales 605,928					
Fri's open int 613,843, up 17,858					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Sep 97	116-08	116-03	116-10	+0-12	6,072
Dec 97	115-27	115-17	115-26	-0-12	170,089
Mar 98	N.T.	N.T.	115-19	+0-12	
Est. sales: 49,281. Prev. sales: 92,897					
Prev. open int.: 176,161 up 12,026					
GERMAN GOV. BUND (LIFFE) DM250,000 - pts of 100 pct					
Dec 97	102.09	101.62	101.89	-0.12	256,701
Mar 98	N.T.	N.T.	101.07	+0.12	
Est. sales: 130,767 Prev. sales: 144,957					
Prev. open int.: 256,563 off 1,627					

	High	Low	Latest	Chge	OpInt
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Sep 97	130.60	130.14	130.14	-0.02	63,178
Dec 97	99.44	98.84	99.08	+0.08	120,209
Mar 98	98.62	98.26	98.48	+0.08	128
Est. sales: 183,249.					
Open int.: 183,515 off 494.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Dec 97	110.60	109.80	110.43	+0.98	103,880
Mar 98	110.35	110.35	110.33	+0.98	5
Est. sales: 63,651. Prev. sales: 38,388					
Prev. open int.: 103,885 up 3,055					
LIBOR 1-MONTH (CMER) $3 million- pts of 100 pct.					
Sep 97			94.34	unch.	13,074
Oct 97	94.35	94.35	94.35	unch.	19,456
Nov 97	94.31	94.31	94.31	unch.	18,271
Est. sales 13,045 Fri's sales 11,130					
Fri's open int 61,092, up 3,368					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Sep 97	94.32	94.28	94.28	unch.	404,356
Oct 97	94.22	94.21	94.22	unch.	17,881
Dec 97	94.12	94.11	94.11	unch.	567,054
Mar 98	94.04	94.01	94.03	unch.	406,040
Jun 98	93.93	93.91	93.92	unch.	287,218
Sep 98	93.83	93.81	93.82	unch.	229,033
Dec 98	93.71	93.69	93.70	unch.	201,190
Mar 99	93.69	93.67	93.68	unch.	139,438
Jun 99	93.65	93.63	93.64	unch.	111,257
Sep 99	93.61	93.59	93.60	unch.	92,107
Dec 99	93.54	93.52	93.53	unch.	78,165
Mar 00	93.54	93.52	93.53	unch.	66,570
Est. sales 174,330 Fri's sales 675,777					
Fri's open int 2,942,824, up 37,979					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Sep 97	1.6078	1.6020	1.6050	-0.0008	25,692
Dec 97	1.6014	1.5940	1.5998	unch.	29,854
Mar 98	1.5950	1.5920	1.5942	+0.0012	227
Est. sales 3,964 Fri's sales 14,560					
Fri's open int 55,800, off 36					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Sep 97	.7197	.7170	.7185	+0.0007	18,646
Dec 97	.7234	.7217	.7223	+0.0008	48,670
Mar 98	.7268	.7254	.7257	+0.0008	1,220
Est. sales 11,814 Fri's sales 23,013					
Fri's open int 68,849, up 2,332					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Sep 97	.5696	.5630	.5675	+0.0025	52,252
Dec 97	.5732	.5649	.5708	+0.0024	57,221
Mar 98	.5764	.5737	.5740	+0.0022	2,160
Est. sales 30,469 Fri's sales 56,021					
Fri's open int 111,810, off 1,194					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Sep 97	.8326	.8300	.8318	+0.0047	49,718
Dec 97	.8448	.8372	.8421	+0.0043	69,920
Mar 98	.8545	.8529	.8534	+0.0043	790
Est. sales 10,576 Fri's sales 39,415					
Fri's open int 120,517, up 2,329					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Sep 97	.6915	.6846	.6902	+0.0060	21,763
Dec 97	.7015	.6883	.6985	+0.0070	36,265
Mar 98	.7080	.7035	.7056	+0.0070	1,178
Est. sales 18,728 Fri's sales 25,629					
Fri's open int 59,417, up 1,310					
MEXICAN PESO (CMER) 500,000 pesos, $ per peso					
Sep 97	.12880	.12850	.12875	+.00071	11,566
Dec 97	.12390	.12367	.12367	-.00035	22,648
Mar 98	.11940	.11915	.11915	-.00035	6,171
Est. sales 2,345 Fri's sales 8,588					
Fri's open int 42,540, off 314					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Sep 97	92.74	92.72	92.74	+0.02	97,521
Dec 97	92.70	92.67	92.69	+0.03	135,906
Mar 98	92.69	92.66	92.69	+0.04	109,228
Jun 98	92.73	92.69	92.73	+0.05	72,940
Sep 98	92.80	92.76	92.80	+0.07	62,367
Dec 98	92.88	92.83	92.87	+0.06	56,999
Mar 99	92.94	92.90	92.94	+0.06	50,002
Est. sales: 78,388. Prev. sales: 58,705					
Prev. open int.: 689,744 up 1,279					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Sep 97	96.72	96.70	96.72	Unch.	173,841
Oct 97	96.60	96.58	96.59	-0.04	3,447
Nov 97	96.52	96.51	96.53	-0.04	430
Dec 97	96.51	96.41	96.43	-0.07	292,698
Mar 98	96.35	96.20	96.23	-0.09	283,726
Jun 98	96.14	95.97	96.00	-0.11	222,917
Sep 98	95.93	95.78	95.82	-0.09	142,335
Dec 98	95.68	95.56	95.60	-0.06	161,152
Mar 99	95.48	95.39	95.44	-0.03	136,587
Est. sales: 499,471. Prev. sales: 193,971					
Prev. open int.: 1,672,279 up 6,343					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Sep 97	96.61	96.60	96.60	Unch.	41,396
Dec 97	96.48	96.39	96.42	-0.05	50,643
Mar 98	96.33	96.22	96.24	-0.07	33,060
Jun 98	96.14	96.03	96.05	-0.08	23,540
Sep 98	95.95	95.85	95.87	-0.07	23,446
Est. sales: 110,007.					
Open int.: 255,045 off 717.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Sep 97	93.27	93.22	93.25	+0.09	63,021
Dec 97	93.76	93.57	93.76	+0.20	111,429
Mar 98	94.36	94.07	94.36	+0.32	70,242
Jun 98	94.84	94.47	94.64	+0.39	61,151

	High	Low	Latest	Chge	OpInt
Sep 98	95.05	94.78	95.04	+0.37	42,428
Dec 98	95.08	94.86	95.08	+0.31	32,197
Est. sales: 175,511. Prev. sales: 56,045					
Prev. open int.: 408,231 up 3,488					
Industrials					
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Oct 97	73.65	73.12	73.18	-0.73	5,519
Dec 97	73.85	73.35	73.43	-0.48	47,670
Mar 98	74.90	74.55	74.58	-0.42	13,982
May 98	75.40	75.20	75.30	-0.40	6,233
Jul 98	75.95	0.74	75.65	-0.45	6,066
Est. sales N.A. Fri's sales 17,452					
Fri's open int 87,388, off 1,023					
HEATING OIL (NMER) 42,000 gal, cents per gal					
Oct 97	53.00	52.30	52.52	-0.06	40,494
Nov 97	54.05	53.70	53.72	-0.26	30,847
Dec 97	56.15	54.80	54.82	-0.26	23,624
Jan 98	56.00	55.62	55.62	-0.26	22,096
Feb 98	56.40	55.92	55.92	-0.31	12,473
Mar 98	55.75	55.52	55.52	-0.36	8,544
Apr 98	54.70	54.37	54.37	-0.41	4,396
Est. sales N.A. Fri's sales 37,016					
Fri's open int 154,565, off 1,122					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Oct 97	19.45	19.23	19.27	-0.05	80,440
Nov 97	19.54	19.38	19.41	-0.05	67,062
Dec 97	19.60	19.44	19.48	-0.05	53,727
Jan 98	19.60	19.50	19.53	-0.05	35,607
Feb 98	19.61	19.52	19.54	-0.05	16,712
Mar 98	19.68	19.56	19.56	-0.05	9,922
Est. sales N.A. Fri's sales 69,543					
Fri's open int 413,232, up 9,770					
NATURAL GAS (NMER) 10,000 mm btus, $ per mm btu					
Oct 97	2.840	2.770	2.786	-0.009	54,130
Nov 97	2.960	2.900	2.912	-0.018	36,217
Dec 97	3.040	3.000	3.008	-0.009	26,611
Jan 98	3.030	2.990	2.995	-0.005	24,136
Feb 98	2.745	2.715	2.715	-0.010	16,198
Mar 98	2.455	2.435	2.435	unch.	10,782
Est. sales N.A. Fri's sales 49,758					
Fri's open int 242,082, up 7,440					
UNLEADED GASOLINE (NMER) 42,000 gal, cents per gal					
Oct 97	58.80	57.80	58.22	-0.55	34,727
Nov 97	56.58	55.80	55.92	-0.66	23,463
Dec 97	55.85	55.40	55.40	-0.58	15,934
Jan 98	55.90	55.41	55.41	-0.58	13,736
Feb 98	56.30	55.85	55.85	-0.54	3,878
Mar 98	56.95	56.50	56.50	-0.49	5,423
Apr 98	59.75	59.25	59.25	-0.44	3,281
May 98			59.15	-0.44	1,055
Est. sales N.A. Fri's sales 28,693					
Fri's open int 104,438, up 505					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Oct 97	164.25	163.25	163.75	+0.25	29,144
Nov 97	166.00	165.00	165.50	+0.25	14,071
Dec 97	168.00	167.00	167.75	+0.50	16,865
Jan 98	169.50	168.75	169.50	+0.50	11,653
Feb 98	170.00	170.00	170.50	+0.50	6,842
Mar 98	N.T.	N.T.	170.00	+0.75	4,630
Apr 98	N.T.	N.T.	169.00	+0.75	2,321
Est. sales: 8,000. Prev. sales: 7,707					
Prev. open int.: 94,539 up 962					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
Oct 97	18.30	18.16	18.23	-0.24	28,497
Nov 97	18.41	18.27	18.33	-0.20	65,752
Dec 97	18.47	18.37	18.43	-0.21	21,889
Jan 98	18.53	18.47	18.52	-0.17	19,659
Feb 98	18.53	18.47	18.52	-0.17	7,227
Mar 98	18.45	18.45	18.48	-0.17	3,903
Est. sales: 42,000. Prev. sales: 39,064					
Prev. open int.: 159,038 off 1,460					
Stock Indexes					
SP COMP INDEX (CMER) 500 x index					
Sep 97	930.20	921.00	921.00	-3.10	89,107
Dec 97	939.90	930.50	931.00	-2.85	133,345
Mar 98	949.80	942.00	942.00	-1.85	2,546
Est. sales N.A. Fri's sales 123,723					
Fri's open int 225,812, up 2,425					
FTSE 100 (LIFFE) £25 per index point					
Sep 97	4916.0	4852.0	4911.0	+80.0	45,984
Dec 97	4974.0	4915.0	4972.0	+81.5	35,328
Mar 98	4975.0	4975.0	5017.0	+83.0	1,810
Est. sales: 23,853. Prev. sales: 21,603					
Prev. open int.: 83,122 up 1,562					
CAC 40 (MATIF) FF200 per index point					
Sep 97	2912.0	2848.0	2910.0	+75.0	42,286
Oct 97	2906.0	2856.0	2916.5	+75.0	2,279
Nov 97	2912.0	2864.0	2924.0	+75.0	2,137
Dec 97	2928.0	2871.5	2931.5	+75.0	4,835
Est. sales: 23,916.					
Open int.: 73,626 off 13.					

Commodity Indexes

	Close	Previous
Moody's	1,558.40	1,569.80
Reuters	1,907.40	1,934.50
D.J. Futures	147.97	147.93
CRB	241.29	241.69

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

AP AUDEMARS PIGUET
The master watchmaker

•THE FINEST WATCH IN THE WORLD WILL ONLY BE WORN BY EXCEPTIONAL PEOPLE.•

Jules-Louis Audemars, Edward-Auguste Piguet 1875

Automatic Royal Oak

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	7744.83	7794.53	7718.12	7721.14	-21.83
Trans	3050.07	3077.78	3038.98	3075.26	+36.28
Util	239.57	241.66	239.52	240.29	+0.69
Comp	2474.59	2492.50	2471.18	2477.63	+6.04

Standard & Poors

	High	Low	Previous Close	Today 3:00
Industrials	—	—	1083.71	1078.43
Transp.	—	—	672.29	677.94
Utilities	—	—	204.39	204.77
Finance	—	—	107.08	107.14
SP 500	—	—	923.91	919.14
SP 100	—	—	894.94	888.07

NYSE

	High	Low	Last	Chg.
Composite	485.84	482.49	482.60	-0.70
Industrials	613.73	609.03	609.27	-1.02
Transp.	451.94	446.86	451.31	+4.45
Utility	290.94	287.99	288.22	-1.67
Finance	453.09	450.74	451.34	+0.24

Nasdaq

	High	Low	Last	Chg.
Composite	1654.59	1634.90	1634.90	-14.43
Industrials	1339.90	1333.47	1333.59	-2.21
Banks	1813.35	1806.59	1810.61	+3.50
Insurance	1774.38	1758.60	1767.93	+4.53
Finance	2149.31	2137.30	2148.34	+11.44
Transp.	1072.90	1065.33	1068.58	+3.01

AMEX

High	Low	Last	Chg.
675.16	672.24	674.66	+2.35

Dow Jones Bond

	Previous Close	Today Noon
20 Bonds	103.84	103.84
10 Utilities	101.44	101.53
10 Industrials	106.24	106.14

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
SaraLee	94529	49⅝	45¼	48⅞	+6⅛
Corningin	85648	41⅝	39⅜	40⅝	-1⅜
PhilMor s	84631	42⅛	40⅝	41⅝	-1⅞
AT&T s	69675	44⅞	43⅛	44⅝	+1⅛
RoyDut s	46101	53⅝	52⅝	52⅝	-⅜
ColHCA s	45887	29	28⅛	28⅝	-⅛
Compaq s	43722	66⅛	64⅛	64⅝	-1⅛
Motorola	40198	69⅝	66⅝	66⅝	-2⅝
WstgEl	36425	26	25⅛	25⅝	+⅛
MicrnT	34065	41⅝	40⅛	40⅝	-1⅝
CocaCl	33437	58⅛	57⅛	57⅝	+½
AHome	33477	76	73	73⅛	-3⅞
GenElec s	33167	67⅛	66⅛	66⅛	—
BeaconPr	32868	44	41⅛	43⅝	+6⅛
Lucent	32326	78	74⅝	74½	-4⅛

Nasdaq

	Vol.	High	Low	Last	Chg.
Ascend	225440	35⅛	32⅛	32⅝	-2⅝
Microsft s	131233	137⅛	130⅝	131⅝	-6⅝
Cisco	83637	72⅝	69⅛	69⅝	-2⅝
Intel s	72294	95⅝	92⅛	92⅝	-1⅝
3Com	64112	50⅝	48	48⅝	-1⅝
PalmrMd	61800	4⅝	2⅝	3⅛	-⅜
Informx	52061	10⅛	9⅛	9⅛	-⅝
Oracle s	47943	39⅝	37⅝	38⅝	-⅜
Intereur	47112	17⅛	16	16⅝	-1⅛
DellCpt s	46909	89⅝	87⅛	87⅝	+⅜
Cymer s	44177	34⅛	32⅛	34⅛	+3⅝
Amgen	40542	49	47⅛	47½	-⅜
ApldMat	35157	97⅛	93⅛	93⅝	-2⅛
WorldCm	33873	35⅝	34⅝	34⅝	+⅛
Xilinx	29899	53⅛	49½	52⅛	+2⅝

AMEX

	Vol.	High	Low	Last	Chg.
SPDR	19734	93⅝	92⅝	92⅛	-⅛
[illegible]	14744	8⅛	8⅛	8⅛	-⅛
[illegible]	13956	23⅛	22⅛	23⅝	+1⅛
[illegible]	10904	40⅝	39⅝	40⅛	+1
[illegible]	9439	7⅛	6⅝	7⅛	+⅛
[illegible]	9061	3⅛	3⅛	3⅛	-⅛
TWA	7724	8⅛	8⅛	8⅛	+⅛
[illegible]	6817	6⅝	6⅛	6⅛	-⅛
[illegible]	6257	41⅛	39⅝	40⅝	+1⅛
ViacB	6161	34	33⅛	33⅛	+⅛

Trading Activity

NYSE

	Close	Prev.
Advanced	1543	2093
Declined	1289	788
Unchanged	571	500
Total issues	3403	3381
New Highs	280	205
New Lows	12	16

Nasdaq

	Noon	Prev.
Advanced	1957	2401
Declined	1486	1745
Unchanged	2046	1583
Total issues	5489	5729
New Highs	237	324
New Lows	34	25

AMEX

	Close	Prev.
Advanced	306	341
Declined	275	206
Unchanged	162	183
Total issues	743	730
New Highs	63	47
New Lows	6	8

Market Sales

	Today 4:00	Prev. cons.
NYSE	451.78	644.43
Amex	23.67	41.11
Nasdaq	588.86	700.69

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Boral Ltd ADR	-	.4376	9-23	10-27
Prud Total Ret A	-	.142	9-16	9-19
Prud Total Ret B	-	.131	9-16	9-19
Prud Total Ret C	-	.131	9-16	9-19
Prud Total Ret Z	-	.145	9-16	9-19
Sasol Ltd ADR	-	.1743	9-26	11-10
STOCK SPLIT				
Hach Co 2 for 1 split.				
Lilly, Eli 2 for 1 split.				
Photronics Inc 2 for 1 split.				
INCREASED				
Fst Svgs Bcpinc	Q	.22	9-30	10-17
Lilly, Eli	Q	.40	11-4	12-10
PMC Capital	Q	.315	9-30	10-14
Sunstone Hotels	Q	.275	9-30	11-14
Triangle Bncp	Q	.12	9-15	9-30
United Asset	Q	.20	9-30	10-15
INITIAL				
Hach Co n	-	.03	10-17	10-31

Company	Per	Amt	Rec	Pay
Orion Capital n	-	.16	9-22	10-1
REGULAR				
Ameritech Corp	Q	.565	9-30	11-1
Camden Property	Q	.49	9-30	10-17
Circuit City	Q	.035	9-30	10-15
Fulton Bancorp	-	.05	9-19	9-30
G&L Realty	-	.36	9-30	10-16
ICO Inc	Q	.055	9-19	9-30
Kenan Transport	Q	.07	9-30	10-15
Meridian PtRl VIII	Q	.07	9-19	9-30
Molex Inc	-	.015	9-30	10-27
North Pittsburgh	Q	.14	10-1	10-15
Oak Hill Finci	Q	.06	9-19	10-15
Santa Anita Rlty	Q	.20	10-3	10-24
Sun Communities	Q	.47	9-30	10-13
Tri-Continental	Q	.15	9-22	9-24
TransPro Inc	Q	.05	9-24	10-8

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s).
b - annual rate of dividend plus stock dividend.
c - liquidating dividend.
cc - PE exceeds 99.
cld - called.
d - new yearly low.
dd - loss in the last 12 months.
e - dividend declared or paid in preceding 12 months.
f - annual rate, increased on last declaration.
g - dividend in Canadian funds, subject to 15% non-residence tax.
i - dividend declared after split-up or stock dividend.
j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting.
k - dividend declared or paid this year, an accumulative issue with dividends in arrears.
m - annual rate, reduced on last declaration.
n - new issue in the past 52 weeks. The high-low range begins with the start of trading.
nd - next day delivery.
p - initial dividend, annual rate unknown.
P/E - price-earnings ratio.
q - closed-end mutual fund.
r - dividend declared or paid in preceding 12 months, plus stock dividend.
s - stock split. Dividend begins with date of split.
sls - sales.
t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date.
u - new yearly high.
v - trading halted.
vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.
wd - when distributed.
wi - when issued/
ww - with warrants.
x - ex-dividend or ex-rights.
xdis - ex-distribution.
xw - without warrants.
y - ex-dividend and sales in full.
yld - yield.
z - sales in full.

NYSE

Monday's 4 P.M. Close
Nationwide prices not reflecting late trades elsewhere.
The Associated Press.

LIVING IN THE U.S.?

NOW PRINTED IN NEW YORK FOR SAME DAY DELIVERY IN KEY CITIES.

TO SUBSCRIBE, CALL
1-800-882 2884
(IN NEW YORK, CALL 212-752-3890)

Herald International Tribune
THE WORLD'S DAILY NEWSPAPER

Continued on Page 19

INTERNATIONAL FUNDS

Advertisement

available on Internet: http://www.iht.com/IHT/F/FUN/funds.html

Questions supplied by fund groups to Mirabaud Paris (tel: 33-1 42 28 00 00)

For information on how to list your fund, fax Kelly Hourt at (33-1) 41 43 92 12 or E-mail : funds@iht.com

To receive free daily quotations for your funds by E-mail : suscribe at e-funds@iht.com

service sponsored by NOKIA

September 15, 1997

999 Other Funds

Face NOKIA 9000

Paris Cuts Its Budget Shortfall

Closing of Gap Aids Drive to Join Euro

Compiled by Our Staff From Dispatches

PARIS — In a further step on the road to qualifying for the European single currency, France's budget deficit narrowed in the first seven months of the year as growth in revenue exceeded growth in spending, the Finance Ministry said Monday.

The budget deficit, which does not include local-government and national social-security deficits, narrowed to 259.8 billion francs ($43.3 billion), from 273.6 billion francs in the like period a year earlier. Revenue rose 3.1 percent, to 760.9 billion francs, while spending rose 0.5 percent, to 950.8 billion francs.

"This is satisfactory, since it shows the government has more or less got spending in check, which will provide some comfort to the markets," said Patrick Mange, economist at Deutsche Morgan Grenfell.

France aims to reduce its public deficit this year to around 3 percent of its gross domestic product to be able to join the single European currency, the euro, at its introduction on Jan. 1, 1999. Finance Minister Dominique Strauss-Kahn expects the deficit to be reduced to 3.1 percent of GDP this year, compared with 4.2 percent in 1996.

The government expects to raise corporate taxes and find savings to generate 32 billion francs in revenue in addition to the 37.5 billion francs it will receive as a one-time payment from the sale of its 20 percent stake in France Telecom SA. Separately, France Telecom said the price range for that sale would be announced next Monday. *(Bloomberg, Reuters)*

■ Unexpected Charge for GAN

France's state-controlled Groupe GAN will take an unexpected charge of 1 billion francs against first-half earnings but should still come close to breaking even for the full year, Agence France-Presse reported, quoting the company's chairman, Didier Pfeiffer.

The company, which will receive 20 billion francs in state aid toward its 1996 earnings, said half of the charge would be used to cover losses at its British Life unit. GAN's shares were suspended from trading pending the announcement.

Dalgety to Spin Off Half of Its Businesses

British Pet-Food Maker Replaces Chief and Resolves to Return Cash to Shareholders

Compiled by Our Staff From Dispatches

LONDON — Dalgety PLC said Monday that it would sell half of its businesses, return cash to shareholders and replace its chief executive after one-time charges led it to post a full-year net loss of £89.3 million ($143.6 million).

Europe's second-largest pet-food maker pledged to return about £200 million to shareholders and focus on just three divisions — pet food, breeding stock and agricultural supplies.

To concentrate its activities, it will sell its British food-ingredients division, which includes the Spillers cereal and flour-milling operations and makers of seasonings across Europe, and Martin-Brower, its U.S. distributor of food to fast-food chains.

Sales at the two divisions last year totaled £2.03 billion, almost half of the company's total revenue of £4.15 billion. The moves follow a 17 percent drop in Dalgety shares in the past year as the company has struggled under the twin burdens of an expensive acquisition and the effects of a worldwide ban on British beef products after the outbreak of a cattle disease linked to human deaths in Britain.

"Some change was needed, and they are making changes," Michael Bourke, an analyst at Panmure Gordon, said.

Dalgety shares closed half a pence higher at 274.50 pence.

Ken Hanna, who took over as chief executive from Richard Clothier, said the board had agreed only a few days earlier on the sale of both divisions and had yet to talk with any potential buyers.

He said the food-ingredients business was operating in an industry that had become concentrated in the hands of much larger competitors.

Martin-Brower, the largest exclusive food distributor to McDonald's Corp. in the United States and Canada, did not fit in with Dalgety's plans to focus resources on a smaller number of activities and stood out as the company's only food-distribution business in the group, he added.

Dalgety warned in July that charges would damage profit for the year that ended June 30, the second time in two months that it had issued such a warning. Net income before charges fell to £40.9 million from £59.2 million, but the company took charges totaling £137.8 million to cover the cost of integrating of Quaker Oats Co.'s pet-food business, which it acquired two years ago.

It originally estimated the charges at £36 million for this year and had already taken £84 million in charges since the acquisition.

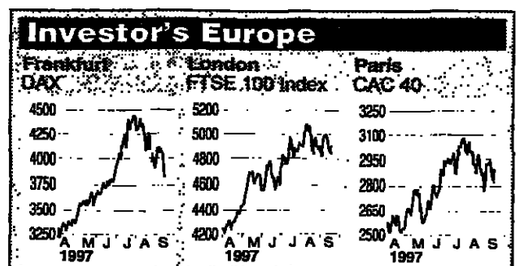
Mr. Hanna, who had been finance director for four months, said the board and Mr. Clothier had agreed he should quit after his role in encouraging the purchase of Quaker Oats.

"As you know," he said, "the momentum for his departure had been building for some time in the press, and we had just completed our strategic review."

Sales in the food-ingredients unit were flat for the year at £359 million. Sales at Martin-Brower were £1.67 billion, compared with £1.66 billion a year earlier, although revenue fell about 9 percent because of the strength of the pound.

The company took a £64 million write-off to cover the closings of three pet-food plants and other measures. *(Bloomberg, Reuters, AFX)*

Investor's Europe



Exchange	Index	Monday Close	Prev. Close	% Change
Amsterdam	AEX	869.50	864.73	+0.55
Brussels	BEL-20	2,341.50	2,315.52	+1.12
Frankfurt	DAX	3,820.13	3,854.81	-0.90
Copenhagen	Stock Market	604.34	605.64	-0.21
Helsinki	HEX General	3,360.59	3,385.28	-0.73
Oslo	OBX	691.57	693.47	-0.26
London	FTSE 100	4,902.90	4,848.20	+1.13
Madrid	Stock Exchange	592.39	584.21	+1.40
Milan	MIBTEL	14877	14375	+3.49
Paris	CAC 40	2,888.62	2,834.07	+2.26
Stockholm	SX 16	3,350.87	3,301.22	+1.50
Vienna	ATX	1,334.57	1,343.86	-0.69
Zurich	SPI	3,433.45	3,417.22	+0.47

Source: Telekurs — International Herald Tribune

Neste to Sell Borealis Stake to Austrian Concern

Bloomberg News

ESPOO, Finland — Neste Oy agreed Monday to sell half of Borealis AS, a Danish petrochemicals maker, to OMV AG of Austria and the investment arm of the emirate of Abu Dhabi.

The 4 billion-markkaa ($746.8 million) sale, expected to be completed by year-end, gives Finland's state-owned oil company cash to expand into the power business in the Baltic region and paves the way for the government to sell more of Neste's shares to the public, the Finnish company said.

As part of the agreement, OMV, Austria's largest oil company, said it had agreed to sell its 100 percent-owned petrochemical unit, PCD Polymere GmbH, to Borealis, creating Europe's largest maker of polyolefin, a family of plastics used in the household-products and automotive industries.

The move comes after a drop in oil prices hurt profits in the European petrochemicals industry, prompting oil producers to consider how they could cut costs.

"This move is good for both OMV and Neste," said Peter Hitchens, an analyst at Williams de Broe.

"OMV's plastic and chemical division didn't have great mass anyway, and one of the biggest concerns with Neste was its low cash flow."

Neste has been trying to withdraw from Borealis for more than a year; it owns 50 percent of the company, and the rest is owned by Statoil of Norway.

For its part, OMV has tried for two years to find a partner for PCD as it tried to reorganize its operations to focus on oil production and shield itself from dips in the petrochemicals business cycle. It declined to disclose a sale price for PCD.

In Vienna, OMV's shares closed at 1,727.90 schillings ($137.60), down 20.10. In Helsinki, Neste's shares rose 0.50 markkaa to close at 136.50.

Sappi to Buy Austrian Paper Maker for $1.3 Billion

Bloomberg News

JOHANNESBURG — Sappi Ltd. agreed Monday to pay almost $1.3 billion for nearly all of KNP Leykam GmbH, an Austrian company, creating Europe's largest maker of fine-grade papers used in magazines and annual reports.

Sappi, South Africa's biggest paper producer, will pay Royal KNP BT NV of the Netherlands about 1.5 billion guilders ($747.1 million) for the unprofitable paper company. It will also assume $545 million in debt.

Sappi's purchase reinforces its presence in Europe, where it holds 7 percent of the so-called coated wood-free paper market, at a time when the paper industry is still suffering from slack demand and low prices.

"Most everyone in Europe lost money in 1996," said Eugene van As, Sappi's chairman. "If you take the mix of their assets and ours, their customers and ours, and our market shares in different countries, we represent a very good fit."

KNP Leykam has already moved to cut 1,000 jobs from a work force of about 4,300 people, which will save an estimated $50 million a year, he said. The purchase will give Sappi low-cost production in the biggest and one of the fastest-growing markets for glossy paper. Europe consumes more than 6 million tons, or almost $7 billion, of coated wood-free paper a year, out of a worldwide market of $20 billion. In addition, the European market is growing 6 percent to 7 percent annually.

Sappi's shares rose 30 cents to 43.5 rand (9.2 cents). KNP BT shares finished 3 guilders higher, at 46.20.

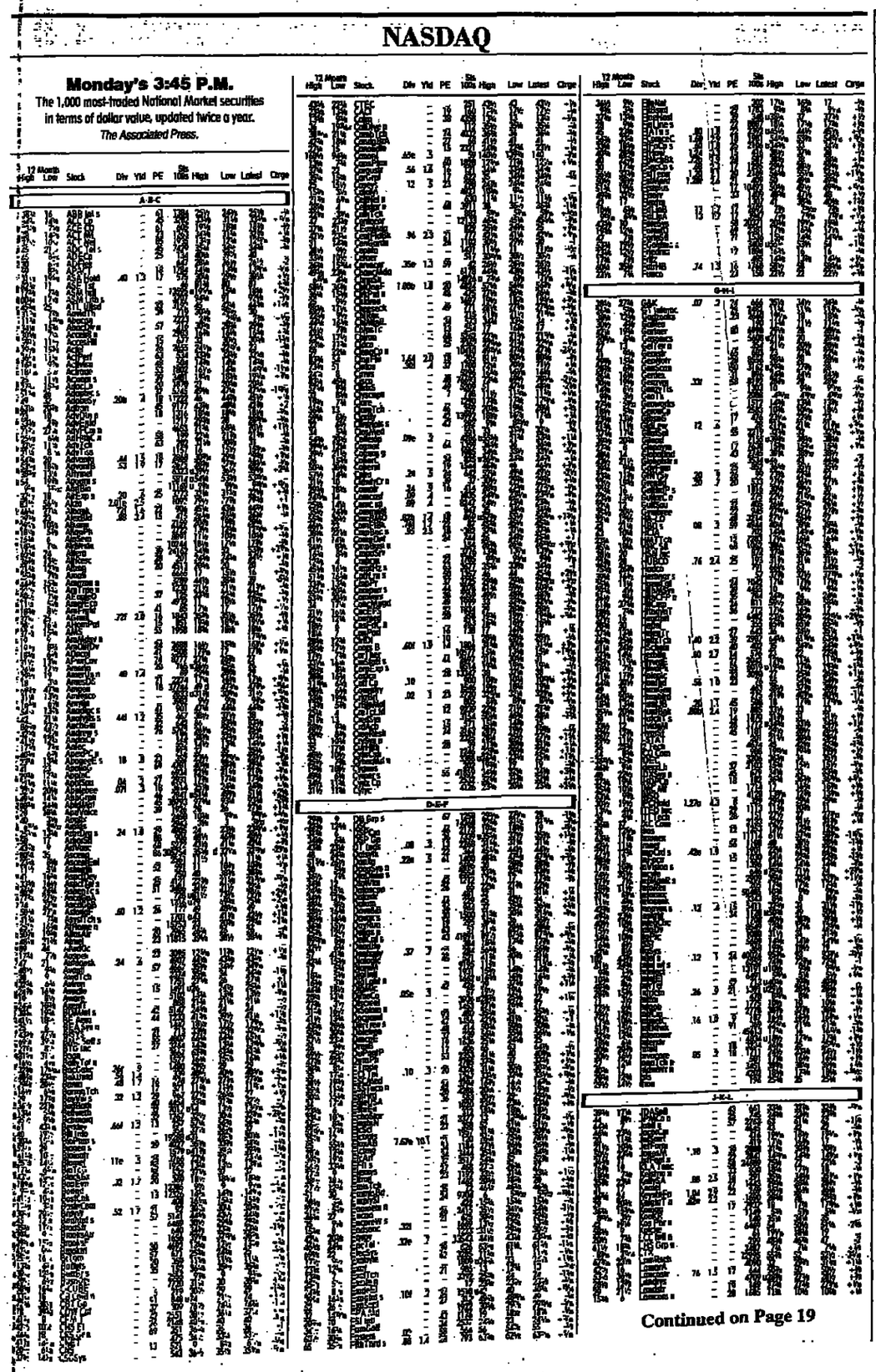
"It is a major step" in the European paper industry's consolidation, said Paul Carter, an analyst at ING Barings in Johannesburg. "It takes Sappi to 22 percent market share in Europe, which substantially increases its price-setting power within the region."

Very briefly:

- **The European Union's** unemployment rate fell to 10.7 percent in June and 10.6 percent in July. The declines were the first since October 1996, since when the rate had remained at 10.8 percent, according to Eurostat, the EU's statistics office.
- **Inchcape PLC's** net profit fell 30 percent in the first half, to £27.1 million ($43.6 million), mainly because of lost revenue from businesses it sold last year.
- **Cable & Wireless Communications PLC,** which was created last year by the merger of **Mercury Communications Ltd.** and three cable companies, posted a net profit of £80 million on a pro-forma basis for the quarter ended June 30.
- **RAO Almazy-Rossii-Sakha,** Russia's diamond monopoly, and **De Beers Centenary AG** are expected to hold high-level talks in Moscow starting Thursday to discuss a trade agreement, including a stalled gem-trade accord.
- **ZAO Svift,** owner of a controlling shareholding in **RAO Norilsk Nickel,** vetoed a proposal to double the nickel producer's share capital.
- **France** has talked to Marc Rochet, chairman of **British Airways PLC's** Air Liberte and TAT units, about succeeding Christian Blanc as chairman of **Groupe Air France,** according to Les Echos newspaper, which said Mr. Rochet had declined to comment on its report.
- **Casino Guichard-Perrachon SA** expects operating profit to rise 24.8 percent in 1997, to 2.08 billion francs ($346.9 million), and it said it preferred a friendly takeover bid by **Rallye SA** to a hostile offer from **Promodes SA.**
- **Portugal Telecom SA** said revenue from both its fixed-line and mobile-telephone operations helped first-half profit advance 44 percent, to 33.2 billion escudos ($182.9 million).
- **The British newspaper** The Independent will begin a campaign Tuesday to reposition itself to recover lost circulation.
- **Thyssen AG** said a share issue had been heavily oversubscribed and had raised 1.2 billion Deutsche marks ($673.1 million) for restrucuring. *Reuters, Bloomberg, AFX, AFP*

NASDAQ

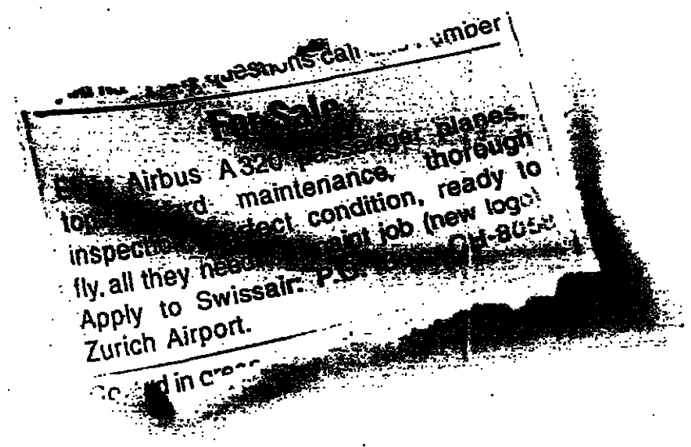
Monday's 3:45 P.M.
The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.



Continued on Page 19

Good news for other airlines in the year 2003.

ADVICO YOUNG & RUBICAM



This ad could appear in 2003. We've just replaced a large portion of our fleet, so our planes are on average six years young. The competition is delighted to get them because we take loving care of them: our pilots all but carry them through the heavens, our engineers nurture their complex souls. Naturally, we do this for our passengers. But why shouldn't our competitors' passengers enjoy a touch of flying Swissair, too? http://www.swissair.com

swissair world's most refreshing airline.

BHP, an Australian Icon, Sits on a Shaky Pedestal

By Clyde H. Farnsworth
New York Times Service

PERTH, Australia — Write-offs of more than $1 billion over the past two years: Sagging earnings and stockholder equity. Huge cost overruns at a much-heralded iron-ore processing plant here in mineral-rich Western Australia and a troubled copper investment in the United States. Three resignations of senior executives. And a chairman who acknowledges he is "ashamed" and "a bit flabbergasted" by it all.

For Broken Hill Proprietary Co., the sprawling mining empire known for much of its 112 years as the "Big Australian," it has been a time of big disappointment — and of an equally broad reassessment.

As an icon of an Australian economy in transition, not to mention the country's biggest company, Broken Hill has come under intense fire from the financial press, analysts and academics.

"Companies of the size of BHP should be able to avoid such large mistakes," said Andre Morkel, a professor of management at the University of Western Australia. "We in Australia have to learn to be more professional in our management, up our game."

All commodity producers have taken their lumps adjusting to a period of low inflation, plentiful supplies and lackluster demand. But BHP, based in Melbourne, has been battered more than most by its delayed reaction to the arrival of the global economy.

"Globalization has put pressure on everybody," said Neil Goodwill, an analyst at J.B. Were & Co., a Melbourne investment house. "At BHP, they realize they have to get leaner and meaner but have been a little slower to act than most."

One reason may be that the company's icon status in Australia has made it less ruthless than its competitors. Its labor contracts, for example, are generally seen as the most generous in the industry.

NYT

But a bigger reason is that BHP, long sheltered by the barrier reefs of high tariffs, used to have little to worry about. Because of its protected home market and strong asset base — in addition to iron, it produces steel, oil, coal, copper, manganese and other commodities — BHP had become complacent, in the view of some, particularly when compared with the aggressiveness of many other Australian companies, notably those in media, information technology and medical research.

Julian Stock, chairman of the Melbourne branch of the Australian Shareholders Association, lists the company's failings as its "highly centralized bureaucratic management, no flexibility and cradle-to-grave jobs."

Now, however, the Big Australian is feeling the gales of competition like everyone else — and is starting to take the harsh actions that have long gone against its grain.

Rising imports caused by lower steel tariffs, for example, were a factor in a BHP decision in April to shut down primary steel production in the east coast town of Newcastle, provoking an outcry from labor and community leaders.

"It is no longer business as usual at BHP," said John Prescott, the company's managing director and chief executive. But the company appears to have little choice, considering the harsh new realities of the world marketplace.

Given the new low-inflation environment, "no longer is it possible to simply produce commodities and collect an inflation windfall," said Frank Harman, senior lecturer in economics at Perth's Murdoch University.

Then, too, there is increased competition from rival suppliers, such as Indonesia, which is emerging as a major coal exporter and is closer to Asian customers than Australia is.

The company has furthermore been confronted with a serious new problem: delays and large cost overruns at the iron-ore plant under construction at Port Hedland, north of Perth. That plant, in the heart of Western Australia's iron-ore country, is to produce 2.5 million tons a year of hot briquetted iron for use by electric arc steel mills around the world. Initially it was to cost $1 billion, but now the company concedes that the cost will be closer to $1.5 billion.

"Even though some markets, especially in Asia, have been expanding," Mr. Harman said, "you have to work harder to participate and maintain market share."

But for all its difficulties, some say the company is learning from its mistakes and will rebound in the not-too-distant future.

"We believe management is very serious about changing its approach," said Elaine Prior, an analyst at Merrill Lynch in Sydney, although she adds: "The path ahead may not be smooth. The new BHP may be a less comfortable place to work than in the past. New skills will be required."

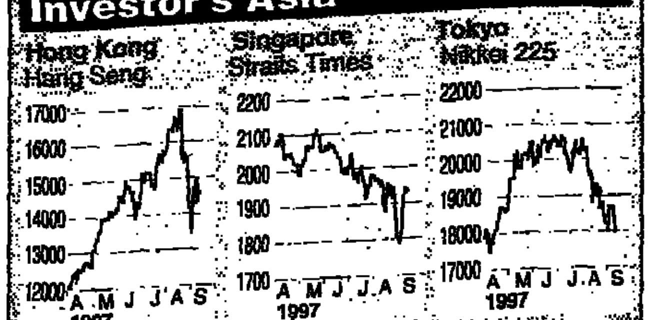
But she expects the company's share price to rise 20 percent over the next 12 months and has just rated the stock a "long-term buy." BHP shares closed Monday at 16.36 Australian dollars ($11.79), up 0.06.

The Big Australian started as a miner of silver, lead and zinc at Broken Hill in the state of New South Wales. Today, it is one of the globe's corporate behemoths, with 61,000 employees in around 90 business units in 70 countries.

With sales last year of $16 billion and total assets of $28 billion, it ranks as the world's second-biggest producer of iron ore (behind Brazil's recently privatized Companhia Vale do Rio Doce) and copper (behind Chile's state-owned Codelco).

It is the third-biggest producer of manganese and ranks seventh in the production of coal, 14th in steel and 18th in the oil and gas sector.

Investor's Asia



Exchange	Index	Monday Close	Prev. Close	% Change
Hong Kong	Hang Seng	14,630.65	14,470.46	+1.11
Singapore	Straits Times	1,932.10	1,935.95	-0.20
Sydney	All Ordinaries	2,662.90	2,640.00	+0.87
Tokyo	Nikkei 225	Closed	17,965.80	
Kuala Lumpur	Composite	844.06	852.08	-0.94
Bangkok	SET	536.36	534.18	+0.41
Seoul	Composite Index	Closed	699.33	
Taipei	Stock Market Index	8,932.02	9,093.84	-1.78
Manila	PSE	2,123.00	2,141.68	-0.87
Jakarta	Composite Index	550.76	546.64	+0.75
Wellington	NZSE-40	2,495.94	2,488.18	+0.51
Bombay	Sensitive Index	4,018.42	3,995.94	+0.56

Source: Telekurs — International Herald Tribune

Very briefly:

• **Hindustan Petroleum Corp.** estimated a total loss of 700 million rupees ($19.2 million) from a fire that ripped through its Visakhapatnam refinery, killing at least 35 people. The company said it had closed the refinery.

• **Australia & New Zealand Banking Group** will be opening a representative office in Tel Aviv, the central Bank of Israel said.

• **Oil & Natural Gas Corp.**, India's biggest producer of crude oil and natural gas, said it had been given permission to explore for coal-bed methane gas in an area of 560 square kilometers (216 square miles). It estimated that the 10 blocks in Bihar and Madhya Pradesh states had potential reserves of about 605 billion cubic meters.

• **PT Sierad Produce**, an Indonesian producer of poultry and chicken feed, said it planned to sell $200 million of bonds to refinance debt and pay for expansion.

• **Finance One PLC**, an ailing Thai finance company, laid off about 500 employees, or about half of its work force, a senior executive said.

• **Osprey Maritime Ltd.**, a Singapore-based company that owns and operates vessels for the oil and gas industry, said first-half profit rose 10 percent, to $8.35 million, or 5.79 cents a share. Revenue expanded 69 percent, to $56.4 million.

• China is to launch a telecommunications satellite for Hong Kong's **APT Satellite Holdings Ltd.** in early October, a company official said.

Reuters, Bloomberg

China's New Motto: 'Survival of the Fittest'

By Steven Mufson
Washington Post Service

BEIJING — China's top economic planners have declared that they will follow the principle of "survival of the fittest" and will reduce the number of wholly owned state companies from 130,000 enterprises of varying size and function to 512 large, strategic ones.

"We must have a system where the strong survive and the weak fail," Wang Zhongyu, minister of the State Economic and Trade Commission, said during the 15th Communist Party congress, which is meeting this week. "That is the lesson of the market economy."

The government also exposed Chinese companies to greater international competition Sunday when it announced that it would cut import tariffs Oct. 1 to an average of 17 percent, from 23 percent. The cuts were aimed at bolstering China's prospects for joining the World Trade Organization, whose members have been demanding that Beijing further open domestic markets in exchange for greater access to foreign markets.

"The move fully demonstrates China's determination and confidence in taking part in international competition and cooperation with a more open attitude," the government-controlled Xinhua news agency said. The tariff cuts will cover more than 4,800 items that account for nearly three-quarters of the goods on which tariffs are imposed, it added.

The developments are part of a series of moves emerging from the party congress that are aimed at changing the shape of China's so-called "socialist market" economy by overhauling the ailing state-owned sector.

Mr. Wang estimated that a third of state-owned enterprises were losing money. He said the government would no longer worry about making "each and every enterprise a success" and would employ a more Darwinian approach, focusing instead on making state enterprises profitable overall.

For the government to use its limited funds to support the state economy alone was a task as impossible as "10 fingers trying to hold down hundreds of fleas," said Wu Jinglian, a top economist in the Development Research Center.

The nation's top economic planners indicated Sunday that China would proceed with its policy of "grasping the large and letting go of the small" enterprises. Although the 512 companies earmarked for continued state ownership represent four-tenths of 1 percent of the 130,000 state industries, Mr. Wang said they accounted for almost half of the state sector's total assets and sales. He said China hoped three to five of these companies would rank among the world's 500 largest.

Beijing's U.S. Trade Surplus to Widen

Reuters

BEIJING — China's trade surplus with the United States this year will outstrip last year's because of a bumper harvest and shrinking grain imports, a senior Chinese trade official said Monday.

"The trade imbalance will widen for this year," the deputy foreign trade minister, Sun Zhenyu, said. He gave no figures.

"The main reason is that this year China has had a bumper harvest for many agricultural products, so demand for imports has dropped," Mr. Sun said.

Washington says China had a surplus of nearly $40 billion with the United States last year; Beijing puts the figure at $10 billion.

Separately, Mr. Sun said China held little hope of reaching an accord with the United States on Beijing's application to enter the World Trade Organization during a summit meeting in Washington next month.

"I am not overly optimistic about reaching an agreement during his visit," Mr. Sun said of President Jiang Zemin's trip, which is planned for late October.

Dickson Concepts Acquires Barneys

Compiled by Our Staff From Dispatches

HONG KONG — Dickson Concepts International Ltd. signed a definitive agreement to acquire control of the American retailer Barneys Inc. for $322 million, the companies said Monday.

The agreement ratifies a preliminary deal reached Friday with Barneys, its affiliates and its unsecured creditors, according to Dickson Poon, chairman of the Hong Kong-based retailer.

Dickson Concepts, which owns the Asian retailing rights to Polo Ralph Lauren clothing and Bulgari jewelry, is buying 51 percent of Barneys for cash, debt and equity.

Creditors of Barneys are to get 49 percent of the new company that Dickson Concepts creates out of Barneys, a stake that is worth an estimated $78 million.

But Mr. Poon said completion of the sale could take up to 12 months because it was conditional on a renegotiation of the retailer's Manhattan lease with Isetan Co. of Japan.

(Reuters, Bloomberg)

U.S. Cajoles Japan on Air Deals

Reuters

SINGAPORE — The Japanese aviation sector will fall behind its Asian competitors if it continues to ignore the worldwide movement toward "open skies" agreements, a U.S. Department of Transportation official said Monday.

"I think we've already achieved critical mass for bilaterals on open skies in the Asia-Pacific region," Mark Gerchick, the deputy assistant secretary for aviation and international affairs, said. "The point is, there is plenty of potential for other hubs in the Asia-Pacific region to vie with Narita," he said, referring to Tokyo's major international airport.

WORLD STOCK MARKETS

Monday, Sept. 15
Prices in local currencies.
Telekurs

Amsterdam
AEX index: 869.58 — Previous: 864.73

	High	Low	Close	Prev.
ABN-AMRO	40	38.20	38.80	39.10
Aegon	149.70	147	147.40	148.50
Ahold	51.50	49	49.40	49.70
Akzo Nobel	316	307.10	315.40	311
Baan Co.	126.50	124.30	125.40	126.10
Bols Wess cva	32.20	32.50	32.10	32.40
CSM cva	94.30	94.30	93.20	94
Dordtsche Pet	106.30	104.20	106	104.40
DSM	187	181.50	185.50	180
Elsevier	31.40	30.80	31.10	30.80
Fortis Amev	80.40	78.50	79.30	79
Getronics	60.30	59.10	60.30	59.60
G-Broc cva	53.70	52.50	53	53.20
Hagemeyer	101.30	99.70	100	100.20
Heineken	345	337.50	340	334.50
Hoogovens cva	117.50	115	116.50	115
Hunt Douglas	84.50	82	83.10	83.90
ING Group	90.10	88.30	89.20	89
KLM	72.80	70.70	71.60	70.80
KNP BT	47.70	45.50	46.20	43.20
KPN	73.50	72	72.90	72.40
Nedlloyd Gp	62	60.20	60.80	61.80
Nutricia	59.40	57.20	57.80	58.40
Oce Grinten	228.20	220	222.50	225.50
Philips Elec	151	147	148	146
Polygram	113.20	108.50	112.60	106.20
Randstad Hdg	85	81.20	82	82.50
Robeco	188.50	187.50	187.50	189.50
Rodamco	61.40	60.70	61.40	61.20
Rolinco	186.80	186	186.80	187.80
Rorento	118	117.50	117.60	117.80
Royal Dutch	106	103.70	105.80	104.60
Unilever cva	417	406.80	408.20	411.40
Vendex Intl	114	112.60	112.80	113.50
VNU	44.50	43.50	44.10	43.70
Wolters Kl cva	243	234.60	242.40	234

Bangkok
SET index: 536.36 — Previous: 534.18

	High	Low	Close	Prev.
Adv Info Svc	224	218	224	220
Bangkok Bk F	163	155	160	163
Krung Thai Bk	25	24.25	25	24.25
PTT Explor	382	372	372	378
Siam Cement F	604	590	590	604
Siam Com Bk F	105	99	105	97.50
Telecomasia	29.50	28.75	29	29.25
Thai Airways	45.50	45	45	45
Thai Farm Bk F	102	101	101	101
Utd Comm	115	111	112	116

Bombay
Sensex 30 index: 4018.42 — Previous: 3995.94

	High	Low	Close	Prev.
Bajaj Auto	565	520	553.75	813
Hindust Lever	1443	1420	1421.50	1413.75
Hindust Petm	478.50	445	473.25	488.75
Ind Dev Bk	106	105.25	106	106.25
ITC	573.50	556	573	554.25
Mahanagar Tel	270.75	269	269.75	269
Reliance Ind	347.50	344.25	347.50	345
State Bk India	288.75	284.25	288.50	286.50
Steel Authority	18	16.50	17	17.50
Tata Eng Loco	358.75	354.75	357.75	355

Brussels
BEL-20 index: 2341.58 — Previous: 2315.52

	High	Low	Close	Prev.
Almanij	1620	1610	1610	1590
Barco Ind	7360	7280	7330	7300
BBL	9460	9300	9400	9170
CBR	3180	3100	3175	3100
Colruyt	17725	16950	17650	16950
Delhaize Lion	1710	1660	1710	1660
Electrabel	7460	7390	7440	7400
Electrafina	3450	3360	3365	3450
Fortis AG	7050	6910	6910	6960
Gevaert	3190	3150	3175	3170
GIB	5750	5630	5720	5600
Gen Banque	14450	14125	14200	14175
Kredietbank	14175	13950	14175	13850
Petrofina	14000	13650	13900	13700
Powerfin	4910	4885	4885	4895
Royale Belge	9650	9300	9400	9620
Soc Gen Belg	3200	3130	3155	3120
Solvay	2110	2055	2100	2070
Tractebel	14800	14700	14775	14725
UCB	119050	115700	117300	117550

Copenhagen
Stock index: 604.34 — Previous: 605.64

	High	Low	Close	Prev.
BG Bank	373	364	366.10	366.91
Carlsberg B	348	342	347	344
Codan Fors	932.30	930	930	920
Danisco	369	354	359	363
Den Danske Bk	670	657.35	660	662
D/S Svendbrg B	413000	413000	413000	413000
D/S 1912 B	288000	285000	286500	287000
FLS Ind B	200	188	190	194
Kob Lufthavne	757	749	755	755
Nvo Nordisk B	671	650	652	658
Sophus Ber B	1000	973	978.84	995
Tele Danmk B	355	341	347	352.87
Trg Baltica	390	385	385	386
Unidanmark A	421	407	409.27	414

Frankfurt
DAX: 3820.13 — Previous: 3854.81

	High	Low	Close	Prev.
AMB B	1620	1580	1598	1600
Adidas	221	217.80	217.80	215
Allianz Hdg	389	376	384.50	390.50
Altana	133.90	131.50	132.50	127.50
Bk Berlin	43.20	43	43	42.90
BASF	61.10	60.01	60.01	61.20
Bayer Hypo Bk	70.90	69.60	70.10	70.15
Bay.Vereinsbank	94.80	93.10	93.90	94.60
Bayer	66.30	64.60	64.60	66.10
Beiersdorf	77	75.20	75.20	78.10
Bewag	39.01	38.55	38.85	38.80
BMW	1340	1329	1332	1310
CKAG Colonia	157	150	150	158
Commerzbank	59.15	57.70	57.80	58.40
Daimler Benz	130	127.30	127.50	130.80
Degussa	89.50	85	88.20	89.50
Deutsche Bank	105.50	104.50	104.50	104.50
Deut Telekom	34.95	34.15	34.65	34.20
Dresdner Bank	74	72.90	73.20	73.10
Fresenius	299	293	298	295
Fresenius Med	133	131	132.50	127.50
Fried. Krupp	360	350	354	360.50
Gehe	100.10	94.50	95	100.70
Heidelbg Zmt	144	142	142	144
Henkel pfd	98.80	95.15	97.30	94.80
HEW	460	460	460	460
Hochtief	83	79	79	82.70
Hoechst	71.75	70.10	70.60	71.70
Karstadt	628	603	611	625
Lahmeyer	88	87.90	88	87.80
Linde	1205	1186	1186	1201
Lufthansa R	35.30	33.70	34	34.50
MAN	518	502	503	500.50
Mannesmann	857	847	851.50	846
Metallgesellschaft	39.95	39.50	39.50	40.05
Metro	79.70	77.20	78.30	79.70
Munch Rueck R	570	541	545	554
Preussag	488	477	477.20	479.70
RWE	79.45	77.20	78.10	78.60
SAP pfd	418	409	409.50	413
Schering	176	172.70	174	172.30
SGL Carbon	233.50	224	225.90	230
Siemens	111.10	109.20	109.80	110.50
Springer (Axel)	1410	1410	1410	1450
Suedzucker	856	840	850	840
Thyssen	402.50	399.50	401	409
Veba	95.35	92.60	92.75	95.01
VEW	560	558	558	560
Viag	778	761	762.50	759
Volkswagen	1151	1137	1141	1161.30

Helsinki
HEX General index: 3260.59 — Previous: 3285.28

	High	Low	Close	Prev.
Enso A	47.50	47.40	47.50	47.50
Huhtamaki I	205	200	200	208
Kemira	47	45.50	45.80	47
Kesko	69.60	69	69.60	69.90
Merita A	22	21.30	21.60	22
Metra B	153	151	152	153
Metso-Serla B	45	44	44.50	44.70
Neste	137.90	136.10	136.50	136
Nokia A	445	434	434	437.60
Orion-Yhtymae	172	166	170	172
Outokumpu A	87	85.50	86.50	88
UPMKymmene	135.50	132	132.40	133
Valmet	79	76.10	78.40	78.90

Hong Kong
Hang Seng: 14630.65 — Previous: 14470.46

	High	Low	Close	Prev.
Amoy Props	7.95	7.85	7.85	7.75
Bk East Asia	28.20	27.65	27.85	27.50
Cathay Pacific	13	12.45	12.65	12.70
Cheung Kong	86.50	85	85.25	84.25
CK Infrastruct	23.70	22.80	23.70	22.50
China Light	43.10	42.60	42.60	42.10
Citic Pacific	45.70	44.40	44.60	44.20
Dao Heng Bk	39.20	38.10	38.20	38
First Pacific	8.20	7.95	7.95	8
Hang Lung Dev	14.60	14.05	14.30	14
Hang Seng Bk	96	94	94.25	94
Henderson Inv	8.60	8.50	8.50	8.50
Henderson Ld	67	65	65	65.50
HK China Gas	15.80	15.60	15.65	15.55
HK Electric	28.90	28.50	28.50	28.45
HK Telecomm	17.50	17	17.20	17.10
Hopewell Hdgs	4.95	4.72	4.78	4.67
HSBC Hdgs	235	230	231	229
Hutchison Wh	73.25	72	72.75	71
Hysan Dev	23.90	23.55	23.55	23.50
Johnson El Hdg	20.25	20.25	20.25	20
Kerry Props	18.80	18.75	18.80	18.75
New World Dev	48.70	48	48.50	47.40
Oriental Press	2.67	2.60	2.63	2.65
Pearl Oriental	1.32	1.26	1.27	1.26
SHK Props	93.25	91.75	92.25	89.50
Shun Tak Hdgs	5.20	4.65	5.05	4.63
Sino Land Co.	7.40	7.15	7.20	7.20
Sth China Post	6.80	6.20	6.30	6.50
Swire Pac A	64.50	61.50	62	63.50
Wharf Hdgs	28.25	27.50	27.50	27.65
Wheelock	16.55	16.20	16.55	16.20

Jakarta
Composite index: 550.76 — Previous: 546.64

	High	Low	Close	Prev.
Astra Intl	3825	3700	3725	3700
Bk Intl Indon	1000	950	1000	950
Bk Negara	1050	1000	1000	975
Gudang Garam	9200	9075	9075	9100
Indocement	2475	2425	2425	2450
Indofood	3875	3675	3675	3875
Indosat	7625	7550	7600	7500
Sampoerna HM	7425	7225	7225	7250
Semen Gresik	3250	3150	3150	3100
Telekomunikasi	3450	3350	3425	3350

Johannesburg
All Market: 7179.46 — Previous: 7168.74

	High	Low	Close	Prev.
Amalgamtd Bks	31.15	30.50	30.80	30.50
AngloAm Coal	273	273	273	271.50
AngloAm-Corp	245.50	242.25	243.75	242.50
AngloAm Gold	246	244.50	245.75	244
AngloAm Ind	190	187.50	188.50	187.50
AVMIN	12.50	12.40	12.40	12.80
Barlow	53.75	52.50	53	52.25
C.G. Smith	23.75	23.10	23.30	23.30
De Beers	140.25	137.75	137.75	138.75
Driefontein	32	31.25	31.75	31.20
Fst Natl Bk	37.50	37	37	36.50
Gencor	11	10.70	10.70	11.70
GFSA	98	97.50	97.50	98
Imperial Hdgs	62.75	62.25	62.25	62.50
Ingwe Coal	22.50	22.25	22.25	22.25
Iscor	3.18	3.15	3.15	3.15
Johnnies Indl	64.25	63.25	63.50	63.75
Liberty Hdgs	378	377	377	375
Liberty Life	142	140.50	142	140.50
LibLife Strat	16.15	16	16.15	16.15
Minorco	99	98.50	99	98
Nampak	18.25	18	18.10	18.50
Nedcor	98.50	97	98.25	97.50
Rembrandt Gp	42.50	41.50	41.60	41.50
Richemont	62.75	61.50	61.75	62
Rust Platinum	80.50	80.50	80.50	80.25
SA Breweries	135.50	133	133	134.25
Samancor	36	36	36	37
Sasol	61.75	60.50	60.75	61
SBIC	208.50	208	208.50	208
Tiger Oats	71	70	70.25	71.75

Kuala Lumpur
Composite: 844.06 — Previous: 852.08

	High	Low	Close	Prev.
AMMB Hdgs	10.10	9.65	9.65	10
Genting	10.90	10.70	10.80	10.90
Mal Banking	18.60	18.10	18.10	18.60
Mal Intl Ship F	5.55	5.05	5.40	5.25
Petronas Gas	9.40	9.15	9.25	9.40
Proton	9.45	9.15	9.20	9.30
Public Bk	2.95	2.87	2.88	2.92
Renong	3.60	3.32	3.46	3.34
Resorts World	7.40	7.15	7.25	7.30
Rothmans PM	26	25.25	26	25.25
Sime Darby	7.30	7.05	7.25	7.30
Telekom Mal	9.55	9.35	9.40	9.58
Tenaga	8.70	8.45	8.70	8.60
Utd Engineers	13.60	12.90	13	13.60
YTL	4.72	4.54	4.56	4.56

London
FT-SE 100: 4902.90 — Previous: 4848.20

	High	Low	Close	Prev.
Abbey Natl	8.76	8.45	8.57	8.45
Allied Domecq	4.71	4.58	4.71	4.59
Anglian Water	8	7.92	7.99	7.98
Argos	6.60	6.47	6.58	6.48
Asda Group	1.47	1.44	1.47	1.45
Assoc Br Foods	5.22	5.14	5.21	5.16
BAA	5.64	5.48	5.63	5.45
Barclays	14.50	14.28	14.46	14.26
Bass	8.32	8.25	8.31	8.28
BAT Ind	5.20	5.12	5.19	5.18
Bank Scotland	4.37	4.29	4.35	4.29
Blue Circle	3.87	3.57	3.85	3.75
BOC Group	10.62	10.55	10.61	10.53
Boots	8.22	8.15	8.20	8.14
BPB Ind	3.62	3.57	3.60	3.59
Brit Aerosp	15.75	15.25	15.70	15.13
Brit Airways	6.89	6.69	6.87	6.77
BG	2.72	2.64	2.70	2.66
Brit Land	5.90	5.83	5.89	5.81
Brit Petm	8.74	8.63	8.70	8.67
BSkyB	4.61	4.47	4.58	4.61
Brit Steel	1.73	1.69	1.73	1.72
Brit Telecom	3.95	3.89	3.93	3.90
BTR	2.36	2.28	2.36	2.31
Burmah Castrol	10.68	10.57	10.65	10.66
Burton Gp	1.20	1.18	1.18	1.21
Cable Wireless	5.75	5.16	5.23	5.20
Cadbury Schw	5.72	5.67	5.70	5.73
Carlton Comm	5.15	5.07	5.15	5.07
Coml Union	7.52	7.43	7.51	7.42
Compass Gp	6	5.90	6	5.92
Courtaulds	3.10	3.05	3.08	3.05
Dixons	6.33	6.27	6.32	6.31
Electrocomponents	4.71	4.67	4.69	4.69
EMI Group	6.08	5.89	6.07	5.87
Energy Group	6.43	6.38	6.41	6.40
Enterprise Oil	6.67	6.55	6.66	6.65
Fam Colonial	1.72	1.71	1.72	1.71
Genl Accident	9.38	9.22	9.36	9.16
GEC	3.90	3.74	3.81	3.83
GKN	12.88	12.78	12.85	12.90
Glaxo Wellcome	12.77	12.53	12.77	12.42
Granada Gp	8	7.90	8	7.95
Grand Met	5.80	5.73	5.79	5.73
GRE	2.85	2.76	2.84	2.78
Greenalls Gp	4.63	4.50	4.53	4.61
Guinness	5.60	5.53	5.57	5.54
GUS	6.55	6.40	6.54	6.45
Hays	6.55	6.45	6.53	6.47
HSBC Hldgs	18.73	18.36	18.52	18.35
ICI	10.04	9.94	10.03	9.94
Impl Tobacco	3.89	3.80	3.82	3.88
Kingfisher	7.75	7.63	7.72	7.60
Ladbroke	2.60	2.55	2.59	2.56
Land Sec	9	8.93	8.95	8.93
Lasmo	2.63	2.60	2.62	2.61
Legal Genl Grp	4.54	4.41	4.47	4.46
Lloyds TSB Gp	7.32	6.51	7.30	7.16
Lucas Varity	2.13	2.05	2.13	2.08
Marks Spencer	5.87	5.82	5.86	5.81
MEPC	4.67	4.63	4.66	4.70
Mercury Asset	12.46	12.29	12.35	12.33
National Grid	2.76	2.63	2.74	2.63
Natl Power	5.81	5.65	5.80	5.64
NatWest	8.52	8.35	8.51	8.43
Next	7.35	7.26	7.31	7.43
Norwich Union	3.42	3.33	3.36	3.32
Orange	2.19	2.16	2.18	2.16
P&O	6.83	6.70	6.82	6.65
Pearson	7.59	7.39	7.51	7.54
Pilkington	1.46	1.43	1.45	1.46
PowerGen	7.92	7.82	7.91	7.78
Premier Farnell	5.30	5.23	5.27	5.28
Prudential	6.31	6.18	6.29	6.26
Railtrack Gp	7.77	7.70	7.74	7.68
Rank Group	3.58	3.47	3.52	3.56
Reckitt Colm	9.70	9.58	9.69	9.48
Redland	2.90	2.81	2.84	2.91
Reed Intl	5.75	5.60	5.72	5.63
Rentokil Initial	2.36	2.34	2.35	2.35
Reuters Hdgs	6.75	6.63	6.74	6.69
Rexam	3.14	2.98	3.11	3.01
RTZ reg	9.84	9.75	9.80	9.78
RMC Group	10.42	10.08	10.37	9.98
Rolls Royce	2.28	2.22	2.28	2.21
Royal Bk Scot	6.16	6.10	6.15	6.06
Royal & Sun All	5.27	5.12	5.26	5.13
Safeway	3.88	3.83	3.84	3.86
Sainsbury	4.27	4.22	4.26	4.24
Schroders	17.55	17.30	17.48	17.45
Scot Newcastle	7.39	7.31	7.35	7.36
Scot Power	4.52	4.47	4.50	4.47
Securicor	2.62	2.56	2.58	2.60
Severn Trent	8.62	8.55	8.62	8.59
Shell Transp R	4.39	4.27	4.39	4.26
Siebe	11.42	11.16	11.21	11.42
Smith Nephew	1.89	1.87	1.87	1.88
SmithKline	5.38	5.27	5.33	5.31
Smiths Ind	8.70	8.60	8.70	8.61
Sthern Elec	4.67	4.62	4.65	4.63
Stagecoach	6.81	6.75	6.79	6.78
Stand Charter	7.98	7.90	7.94	7.90
Tate & Lyle	4.05	4.01	4.03	4.02
Tesco	4.39	4.33	4.36	4.34
Thames Water	8	7.90	7.97	7.93
3i Group	4.95	4.88	4.92	4.88
TI Group	5.89	5.80	5.88	5.82
Tomkins	3.26	3.21	3.26	3.23
Unilever	17.35	17.13	17.24	17.43
Utd Assurance	4.50	4.40	4.48	4.43
Utd News	7.62	7.40	7.59	7.63
Utd Utilities	6.90	6.75	6.85	6.80
Vendome Lx uts	4.75	4.71	4.74	4.74
Vodafone	3.18	3.10	3.18	3.07
Whitbread	7.85	7.78	7.84	7.83
Williams Hdgs	3.58	3.53	3.55	3.48
Wolseley	4.85	4.77	4.84	4.70
WPP Group	2.82	2.78	2.80	2.79
Zeneca	19.33	18.55	18.71	18.53

Madrid
Bolsa index: 592.39 — Previous: 584.21

	High	Low	Close	Prev.
Acerinox	25000	24670	24840	24670
ACESA	1935	1905	1935	1900
Aguas Barcelon	5630	5550	5620	5550
Argentaria	7840	7730	7800	7700
BBV	4200	4110	4195	4095
Banesto	1470	1445	1445	1450
Bankinter	8050	7890	7930	7900
Bco Centro Hisp	5880	5820	5880	5810
Bco Popular	8850	8680	8790	8780
Bco Santander	4510	4460	4510	4420
CEPSA	4440	4400	4425	4410
Continente	2905	2860	2895	2860
Corp Mapfre	8410	8260	8300	8330
Endesa	3125	3055	3100	3045
FECSA	1225	1200	1225	1200
Gas Natural	7330	7120	7270	7090
Iberdrola	1775	1750	1775	1750
Pryca	2695	2655	2690	2640
Repsol	6140	6090	6130	6070
Sevillana Elec	1365	1350	1365	1355
Tabacalera	9190	8620	9190	8380
Telefonica	4245	4175	4245	4170
Union Fenosa	1225	1210	1225	1220
Valenc Cement	2840	2820	2820	2830

Manila
PSE index: 2123.00 — Previous: 2141.68

	High	Low	Close	Prev.
Ayala B	14	13.75	13.75	14.25
Ayala Land	17	16.75	17	17.25
Bk Philip Isl	116	112	114	116
C&P Homes	4.15	3.80	3.90	4.05
Manila Elec A	76.50	74	76.50	76.50
Metro Bank	377.50	372.50	375	380
Petron	4.40	4.05	4.10	4.45
PCIBank	160	160	160	160
Phil Long Dist	890	880	890	875
San Miguel B	60	57.50	58.50	59.50
SM Prime Hdg	6.40	6.10	6.40	6.40

Mexico
Bolsa index: 4865.17 — Previous: 4848.49

	High	Low	Close	Prev.
Alfa A	63.20	61.70	62.70	62.60
Banacci B	22.60	22.15	22.20	22.10
Cemex CPO	39.20	38.62	38.80	38.60
Cifra C	14.50	14.40	14.40	14.50
Emp Modema	39.25	39.10	39.10	39.15
Gpo Carso A1	62.50	61.30	61.50	61.30
Gpo F Bcomer	3.40	3.35	3.35	3.36
Gpo Fin Inbursa	33.00	33.00	33.00	33.00
Kimb Clark Mex	36.15	35.70	35.70	36.00
Televisa CPO	N.T.	N.T.	N.T.	144.00
TelMex L	18.18	18.04	18.04	18.24

Milan
MIB Telematico: 14877.00 — Previous: 14375.00

	High	Low	Close	Prev.
Alleanza Assic	16150	15650	16050	15150
Bca Comm Ital	4700	4620	4700	4605
Bca Fideuram	6360	6200	6360	6040
Bca di Roma	1645	1578	1640	1541
Benetton	27500	26950	27500	26700
Credito Italiano	3655	3475	3655	3500
Edison	8600	8465	8595	8300
ENI	10270	9940	10200	9725
Fiat	5845	5625	5845	5510
Generali Assic	38350	37800	38300	37050
IMI	17100	16640	17050	16250
INA	2615	2570	2610	2575
Italgas	5740	5520	5710	5405
Mediaset	8330	8000	8330	7995
Mediobanca	12455	12360	12390	12195
Montedison	1288	1242	1261	1254
Olivetti	905	880	888	880
Parmalat	2675	2640	2665	2575
Pirelli	4700	4550	4700	4485
RAS	15050	14775	14890	14640
Rolo Banca	22950	22150	22250	22000
S Paolo Torino	13060	12650	13060	12550
Telecom Italia	11140	10840	11140	10580
TIM	6455	6220	6425	6125

Montreal
Industrials index: 3546.98 — Previous: 3548.11

	High	Low	Close	Prev.
Bce Mob Com	51.60	51.60	51.60	50.80
Cdn Tire A	27.60	27.35	27.60	27¼
Cdn Util A	37.15	37.15	37.15	37.45
CT Finl Svc	43.45	43.45	43.45	43.40
Gaz Metro	18.20	18	18.15	18.20
Gt-West Lifeco	32¼	32¼	32.35	32.45
Imasco	39.05	38.95	38.95	38.65
Investors Grp	36.05	35.85	36	35½
Loblaw Cos	21	20.80	21	21.05
Natl Bk Canada	18.65	18¼	18.60	18¼
Power Corp	38.60	38	38.30	38¾
Power Finl	36½	36.15	36.35	36¼
Quebecor B	26.70	26½	26.65	26½
Rogers Comm B	9.05	8.50	8.90	9.00
Royal Bk Cda	65.35	64.20	64.60	64.30

Oslo
OBX index: 691.47 — Previous: 693.47

	High	Low	Close	Prev.
Aker A	126	123	126	126.50
Bergesen Dy A	194.50	193	194	194
Christiania Bk	24.60	24.30	24.40	24.70
Den norske Bk	30	29.50	29.60	29.90
Elkem	126	122.50	123.50	124
Hafslund A	45	43	44	44
Kvaerner Asa	403	398	401.50	398.50
Norsk Hydro	435	427.50	430.50	427.50
Norske Skog A	251	245	248	250
Nycomed A	161	160	161	160.50
Orkla Asa A	590	577	577	580
Petlm GeoSvc	471	462	463	458
Saga Petlm A	152	146	147	150
Schibsted	118.50	116.50	117	120
Transocean Off	690	690	690	690
Storebrand Asa	54	53	54	53

Paris
CAC-40: 2898.42 — Previous: 2834.87

	High	Low	Close	Prev.
Accor	963	945	959	944
AGF	234	227.20	231.70	230.10
Air Liquide	910	890	904	896
Alcatel Alsth	810	782	807	773
Axa-UAP	387.90	382.20	386.90	384.10
Bancaire	715	698	705	697
BIC	413	400.10	404	400
BNP	287.70	281.80	284.50	280.20
Canal Plus	1055	1033	1050	1032
Carrefour	3469	3360	3456	3329
Casino	N.T.	N.T.	N.T.	332.10
CCF	332	327.90	331.50	330
Cetelem	601	591	596	580
Christian Dior	825	810	814	815
CLF-Dexia Fran	551	540	549	542
Credit Agricole	1286.10	1286.10	1286.10	1298
Danone	835	814	835	812
Elf-Aquitaine	785	761	784	758
Eridania BS	818	800	806	810
Eurodisney	8.35	8.10	8.25	8.30
Eurotunnel	6.45	6.30	6.45	6.35
Gen. Eaux	724	705	722	704
Havas	398.90	390	398.90	394
Imetal	845	821	845	830
Lafarge	440	429.10	438.10	427
Legrand	1230	1146	1204	1164
L'Oreal	2191	2113	2191	2113
LVMH	1275	1244	1275	1226
Michelin B	348	338.50	343	337.40
Paribas A	419	412.50	417	412.10
Pernod Ricard	306	294	306	294
Peugeot Cit	781	758	770	764
Pinault-Print	2578	2521	2570	2535
Promodes	2137	2058	2090	2064
Renault	178	173.50	175	175.80
Rexel	1635	1593	1635	1596
Rh-Poulenc A	229.90	225.80	229.40	227
Sanofi	581	565	581	564
Schneider	345	330	344.30	330.90
SEB	843	820	828	834
SGS Thomson	515	506	510	507
Ste Generale	830	817	825	823
Sodexho	2640	2611	2633	2622
St Gobain	924	905	916	905
Suez (Cie)	Susp.	Susp.	Susp.	15.10
Suez Lyon Eaux	653	623	644	623
Synthelabo	709	681	696	685
Thomson CSF	169.90	166	169.90	167.90
Total B	639	622	634	619
Usinor	108	104.50	105.60	107
Valeo	362	352.10	361	354.40

São Paulo
Bovespa index: 10943.18 — Previous: 11292.10

	High	Low	Close	Prev.
Bradesco Pfd	9.90	9.60	9.80	9.80
Brahma Pfd	790.00	780.00	790.00	790.00
Cemig Pfd	56.20	54.50	54.50	55.50
CESP Pfd	83.00	80.50	82.50	83.00
Copel	16.50	15.50	16.40	16.00
Eletrobras	540.00	518.00	524.00	541.00
Itaubanco Pfd	556.00	549.00	549.00	560.00
Light Servicos	462.00	460.00	460.00	459.00
Lightpar	340.00	330.00	335.00	344.90
Petrobras Pfd	286.00	275.00	278.00	284.99
Paulista Luz	185.00	183.00	184.01	187.00
Sid Nacional	39.00	39.00	39.00	40.00
Souza Cruz	16.02	10.00	10.02	10.00
Telebras Pfd	140.50	133.60	134.30	139.50
Telemig	170.00	167.00	167.00	170.00
Telerj	132.00	129.00	129.70	132.00
Telesp Pfd	305.00	300.00	300.99	319.00
Unibanco	36.00	35.50	36.00	37.00
Usiminas Pfd	11.20	11.01	11.15	11.00
CVRD Pfd	26.20	25.60	25.80	26.01

Markets Closed

Stock markets in Seoul and Tokyo were closed Monday for a holiday.

Singapore
Straits Times: 1932.10 — Previous: 1935.95

	High	Low	Close	Prev.
Asia Pac Brew	5.50	5.45	5.45	5.30
Cerebos Pac	5.60	5.35	5.35	5.30
City Devlts	10.40	10.20	10.20	10
Cycle Carriage	10.30	10.20	10.30	10.20
Dairy Farm Intl *	0.89	0.87	0.88	0.86
DBS foreign	16.10	15.30	15.60	16
DBS Land	4.16	4.10	4.14	4.06
Fraser & Neave	9.20	9.10	9.15	9.10
HK Land *	3.20	3.14	3.16	3.12
Jard Mathesn *	7.95	7.90	7.95	7.80
Jard Strategic *	3.68	3.50	3.58	3.60
Keppel A	6	5.90	6	5.95
Keppel Bank	3.28	3.26	3.26	3.24
Keppel Fels	4.38	4.22	4.38	4.20
Keppel Land	4.14	3.92	3.92	4.10
OCBC foreign	11.90	11.20	11.20	11.70
OS Union Bk F	7.35	7.25	7.30	7.20
Parkway Hdgs	6.40	6.30	6.40	6.35
Sembawang	6.55	6.40	6.40	6.55
Sing Air foreign	12.90	12.60	12.70	12.60
Sing Land	7.25	7.15	7.25	7.10
Sing Press F	24.20	23.90	23.90	24.10
Sing Tech Ind	2.66	2.59	2.60	2.61
Sing Telecomm	2.25	2.22	2.22	2.21
Tat Lee Bank	2.84	2.83	2.84	2.83
Utd Industrial	1.06	1.02	1.04	1.02
Utd O'Sea Bk F	12.50	12	12	12.40
Wing Tai Hdgs	3.44	3.40	3.42	3.40

*: in U.S. dollars.

Stockholm
SX 16 index: 3350.87 — Previous: 3301.22

	High	Low	Close	Prev.
AGA B	117.50	114	115.50	114
ABB A	108	106.50	107.50	106
AssiDoman	238.50	228	238.50	228
Astra A	134	130	134	130
Atlas Copco A	250	244	249	247
Autoliv	318.50	315.50	318.50	313.50
Electrolux B	582	575	580	575
Ericsson B	334	332	334.50	330
Hennes B	332.50	324	329.50	321.50
Incentive A	700	697	697	700
Investor B	398.50	392	394.50	392.50
MoDo B	250	244.50	245	244.50
Nordbanken	256.50	254.50	256.50	254.50
Pharm/Upjohn	272.50	268	272	266.50
Sandvik B	247	243	246.50	245.50
Scania B	227	219.50	225.50	216.50
SCA B	187.50	185.50	186.50	186
S-E Banken A	91	89.50	91	89
Skandia Fors	333	330.50	331.50	330
Skanska B	311	304.50	309	307
SKF B	216	212.50	215	214
Sparbanken A	181.50	176	181.50	178.50
Stora A	123	119	122	120
Sv Handels A	245	239	241.50	244.50
Volvo B	205	201	203	201.50

Sydney
All Ordinaries: 2662.90 — Previous: 2640.00

	High	Low	Close	Prev.
Amcor	8.62	8.50	8.58	8.51
ANZ Bkng	10.48	10.32	10.46	10.30
BHP	16.49	16.27	16.36	16.30
Boral	4.06	4.01	4.04	4.04
Brambles Ind.	28.72	27.39	28.72	27.30
CBA	16.12	15.89	15.97	15.83
CC Amatil	15.10	14.55	15.10	14.52
Coles Myer	6.60	6.48	6.58	6.43
Comalco	6.92	6.85	6.87	6.90
CSR	5.26	5.14	5.15	5.26
Fosters Brew	2.70	2.65	2.70	2.65
Goodman Fld	2.14	2.13	2.14	2.12
ICI Australia	12.25	12.10	12.13	12.18
Lend Lease	31.33	30.50	31.33	30.45
MIM Hdgs	1.62	1.51	1.54	1.62
Nat Aust Bank	20.46	19.81	20.33	19.80
Nat Mutual Hdg	2.16	2.11	2.15	2.11
News Corp	6.35	6.28	6.32	6.31
Pacific Dunlop	3.69	3.63	3.65	3.64
Pioneer Intl	4.77	4.73	4.74	4.74
Pub Broadcast	8.45	8.35	8.45	8.30
Rio Tinto	20.48	20.30	20.25	20.37
St George Bank	8.25	8.12	8.20	8.08
WMC	6.70	6.33	6.36	6.60
Westpac Bkng	8.27	8.12	8.26	8.10
Woodside Pet	12	11.73	11.95	11.72
Woolworths	4.15	4.08	4.13	4.08

Taipei
Stock Market index: 8932.02 — Previous: 9155.24

	High	Low	Close	Prev.
Cathay Life Ins	138.50	133	133.50	133
Chang Hwa Bk	108	101.50	103	101
Chiao Tung Bk	85.50	78	79.50	83.50
China Developmt	123	118	118	120.50
China Steel	29.20	28.50	28.50	28.50
First Bank	109	102	105	102
Formosa Plastic	60.50	58.50	59	60
Hua Nan Bk	116.50	109.50	110	109
Intl Comm Bk	57	54.50	55	54.50
Nan Ya Plastics	71.50	69	69	71
Shin Kong Life	92	84.50	87	86.50
Taiwan Semi	146	132	133.50	144.50
Tatung	45.40	44.50	44.70	45.10
Utd Micro Elec	104.50	89.50	89.50	103
Utd World Chin	63.50	62	62.50	62

Toronto
TSE Industrials: 6786.76 — Previous: 6766.10

	High	Low	Close	Prev.
Abitibi Cons.	23.35	22.70	23¼	22.70
Alberta Energy	31.60	31.20	31.35	31.20
Alcan Alum	47½	46.70	47.35	46.70
Anderson Expl	17.95	17.80	17.95	17.80
Bk Montreal	54.70	54	54.60	53.90
Bk Nova Scotia	62¼	61.15	62	61.10
Barrick Gold	30	29.30	29.55	30.10
BCE	40.65	40.20	40.55	40¼
BC Telecomm	34.10	33.90	34.10	33.90
Biochem Pharm	43	40½	41.90	40½
Bombardier B	28.60	28.40	28½	28.30
Cameco	48.40	47	48.20	47.20
CIBC	38½	37.80	38.10	37.80
Cdn Natl Rail	71¾	71.45	71.45	71.30
Cdn Nat Res	41¼	41½	41¼	41¼
Cdn Occid Pet	37.60	37.20	37.40	37.30
Cdn Pacific	40.95	40.40	40.80	40.55
Cominco	34	33.15	33.20	33½
Dofasco	28.05	27.45	27¾	28.05
Domtar	11.40	11.30	11.55	11.30
Donohue A	32.40	32.30	32.30	32.65
Du Pont Cda A	33.05	33.05	33.05	33½
EdperBrascan	23.35	23.05	23.10	23.30
EuroNev Mng	23	22	22.40	22.60
Fairfax Finl	394	391	391	397
Falconbridge	25.20	24¾	24.90	25.15
Fletcher Chall A	22.95	22.35	22.70	22¾
Franco Nevada	31.65	30	30.40	31
Gulf Cda Res	11.40	11.10	11.15	11½
Imperial Oil	76.40	75½	76.40	75.55
Inco	35.40	34.95	35.05	35.40
IPL Energy	53.55	53.40	53.55	53.40
Laidlaw B	21.30	21	21.30	21
Loewen Group	38½	37	38.45	41.80
Macmill Bldl	18.40	17.70	18.30	17.60
Magna Intl A	97¼	96¼	97¼	96.40
Methanex	11¼	11.05	11.10	11.20
Moore	29.20	28.85	29.10	29.30
Newbridge Net	77½	76	76½	77.20
Noranda Inc	26.15	25.90	26.10	25.90
Norcen Energy	36¼	36	36.10	36.05
Nthern Telecom	136½	134¾	135¼	134¾
Nova	11.65	11.55	11.60	11.60
Onex	33	32.30	32.30	32.85
Pancdn Petlm	25.70	25½	25.70	25½
Petro Cda	25.30	24.90	25	24.90
Placer Dome	21½	20.95	21.30	21.65
Poco Petlm	13.95	13.60	13.90	13.95
Potash Sask	107.40	106.70	107	107.80
Renaissance	36¼	35.95	36.65	35.95
Rio Algom	30	27.30	30	29¼
Rogers Cantel B	26½	26	26½	26¼
Seagram Co	48.80	48.20	48.55	48
Shell Cda A	23.60	23.10	23.60	23
Suncor	46.90	46	46.65	46.30
Talisman Eny	49	48.35	48.80	48½
Teck B	24.85	24.15	24.40	24.05
Teleglobe	48¼	47.90	48	47.90
Telus	29.35	29	29¼	29.05
Thomson	33¼	32.35	32.70	32½
TorDom Bank	45.20	34.80	45.10	44.90
Transalta	17.45	17.30	17.40	17¼
TransCda Pipe	26¼	26.60	26.65	26.60
Trimark Finl	71.15	69½	71.15	69.85
Trizec Hahn	32¼	32.05	32.05	32¼
TVX Gold	6.95	6.70	6¾	6.95
Westcoast Eny	28.35	28	28.30	28.20
Weston	107	105	106½	105

Vienna
ATX index: 1334.57 — Previous: 1343.84

	High	Low	Close	Prev.
Boehler-Uddeh	957	943.50	946	959
Creditanst Pfd	623	618	618	623
EA-Generali	2990	2900	2940	2935
EVN	1490	1432.70	1440	1486
Flughafen Wien	489	479	480	483.80
OMV	1770	1717	1727.90	1748
Oest Elektriz	876.85	865	869.10	870.90
VA Stahl	535.50	527	530	523.70
VA Tech	2449	2363	2400	2404.95
Wienerberg Bau	2501	2460	2467	2505

Wellington
NZSE-40 index: 2495.94 — Previous: 2487.66

	High	Low	Close	Prev.
Air N Zeald B	4.07	4.03	4.05	4.10
Brierly Invt	1.29	1.28	1.29	1.28
Carter Holt ord	3.36	3.34	3.36	3.33
Fletch Ch Bldg	4.64	4.57	4.64	4.56
Fletch Ch Eny	6.50	6.45	6.45	6.70
Fletch Ch Forst	1.95	1.93	1.93	1.94
Fletch Ch Paper	2.95	2.90	2.93	2.95
Lion Nathan	3.74	3.74	3.74	3.74
Telecom NZ	7.97	7.87	7.96	7.86
Wilson Horton	11.45	11.45	11.45	11.50

Zurich
SPI index: 3432.45 — Previous: 3417.22

	High	Low	Close	Prev.
ABB B	2122	2082	2095	2110
Adecco B	547	510	537	540
Alusuisse R	1306	1282	1290	1290
Ares-Serono B	2405	2395	2400	2430
Atel R	842	842	842	855
Baer Hdg B	2065	2000	2000	2030
Baloise Hldg N	2000	1965	1969	1967
BK Vision	1070	1050	1062	1048
Ciba Spec Chem	143.75	140.50	141	141
Clariant R	1096	1061	1071	1088
Crd Suisse Gp R	187.25	182.75	186.50	180.25
Elektrowatt B	536	535	536	536
Ems-Chemie	6805	6770	6805	6805
ESEC Hdg	4280	4270	4280	4280
Holderbank B	1306	1290	1306	1292
Liechtenst LB B	576	575	575	578
Nestle R	1811	1786	1803	1786
Novartis R	2136	2087	2110	2089
Oerlikon Buehr R	181.25	177.25	180.50	178
Pargesa Hld B	1820	1810	1820	1820
PharmVisn B	884	856	860	875
Richemont A	1950	1890	1890	1925
Pirelli PC	326	322	323	326
Roche Hdg PC	12900	12580	12675	12700
SBC R	367.50	360.50	366	358.50
Schindler PC	1895	1855	1885	1880
SGS B	2660	2600	2610	2644
SMH B	887	866	879	880
Sulzer R	1036	1025	1030	1006
Swiss Reins R	2013	1986	1994	1991
SAir Group R	1823	1800	1810	1805
UBS B	1518	1484	1506	1499
Winterthur R	1354	1325	1353	1303
Zurich Assur R	591	575	577	584

The Trib Index

Prices as of 3:00 P.M. New York time.

Jan. 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	170.96	+1.23	+0.72	+14.63
Regional Indexes				
Asia/Pacific	118.56	+0.77	+0.65	-3.95
Europe	184.21	+2.26	+1.24	+14.27
N. America	203.50	+1.26	+0.62	+25.69
S. America	159.66	-2.39	-1.47	+39.53
Industrial Indexes				
Capital goods	218.26	+0.05	+0.02	+27.70
Consumer goods	186.22	+2.24	+1.22	+15.36
Energy	200.79	+2.70	+1.36	+17.62
Finance	127.33	+1.15	+0.91	+9.33
Miscellaneous	183.59	+1.68	+0.92	+13.48
Raw Materials	181.08	-1.62	-0.89	+3.25
Service	161.98	+0.93	+0.58	+17.96
Utilities	164.99	-0.80	-0.48	+15.01

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

Compiled by Bloomberg News.

NYSE

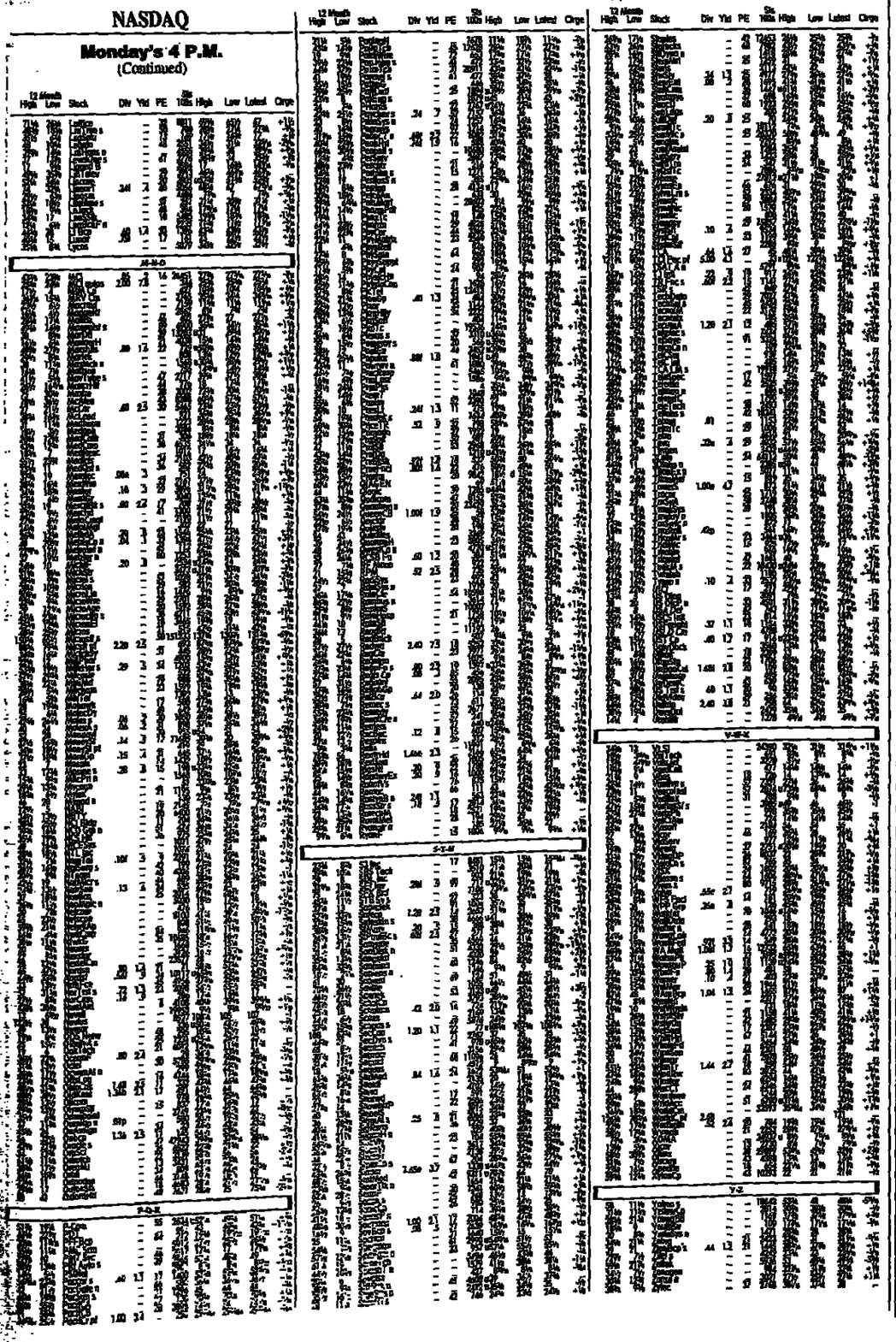
Monday's 4 P.M. Close

(Continued)

NASDAQ

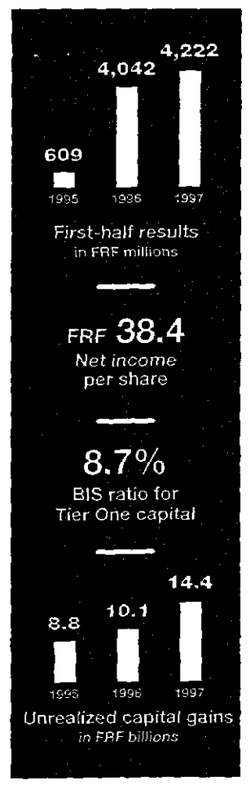
Monday's 4 P.M.

(Continued)



GROUPE PARIBAS

First-half results



Net income : FRF 4.2 billion*

Groupe Paribas recorded growth in net income excluding minority interests of FRF 4.2 billion for the six months ended June 30, 1997, compared with FRF 4 billion for the same period in 1996.

Groupe Paribas is now clearly focused on its two core businesses, International investment banking and Specialized financial services, after completing the disposal of its retail banking activities (*Banque Continentale du Luxembourg, Banque Ottomane, Crédit du Nord, Paribas Belgique, Paribas Hollande, Paribas Pacifique* and Paribas Polynésie).

If the retail banking activities which have already been, or are in the process of being, divested, are excluded, net income increased by 13% to reach FRF 3.4 billion in the first half of 1997.

Paribas' financial structure has been reinforced with a BIS ratio for Tier One capital now standing at 8.7%.The estimated net asset value of Groupe Paribas totalled FRF 59.9 billion at June 30, or FRF 545 per share.

International investment bank

Banque Paribas: return on equity from operations of 15%.
Banque Paribas' revenues have grown by 17%, with net income of FRF 1.2 billion. At the same time, the Bank has continued to reinforce its teams of specialized personnel to ensure its future development.

Paribas Affaires Industrielles: recurrent nature of its income confirmed.
The contribution from PAI to net income equals FRF 1.8 billion. The reserve of unrealized capital gains stands at FRF 14.4 billion, representing an increase of 34.6% since December 31, 1996.

Specialized financial services

Compagnie Bancaire: a return on equity of 10%, in line with 1997 objectives.
Operating activities have continued to grow with net income amounting to FRF 588 million.

Groupe Paribas is actively pursuing its strategy of specialization in high-growth business segments and continuing its investment programs to ensure the future development of its activities.

In each of its different business sectors, Groupe Paribas has set itself the goal of ranking among the 10 leading banks worldwide by the year 2000. Its aim is to provide its shareholders with a regular, high return on equity (15%) and steady growth in income.

* US$ 719.25 million (as of exchange rate June 30, 1997)

PARIBAS INVESTOR RELATIONS

3, rue d'Antin, 75002 Paris 33 1 42 98 77 46 | Internet:http://www.paribas.com

WORLD ROUNDUP

Fittipaldi Walks Out Of Miami Hospital

MOTOR RACING Emerson Fittipaldi was released from a Miami hospital three days after back surgery, and the champion driver headed to his Florida home for a long recovery.

"He walked out of the hospital with only the assistance of a cane," said a hospital spokeswoman, Fernanda Oliveira. "He's at home resting with his family."

Fittipaldi, 50, was discharged Sunday from Jackson Memorial Hospital following surgery to rebuild a section of his lower back that shattered when his ultralight plane crashed near his ranch in Brazil on Sept. 7.

His left leg was paralyzed in the crash, but he gradually regained mobility and feeling before surgery.

Fittipaldi, who has a home on Key Biscayne, will have to wear a plastic body brace for six months, and his surgeons have advised against "high-velocity activities" for a year.

Fittipaldi won the Formula One drivers' championship in 1972 and 1974 and the Indianapolis 500 in 1989 and 1993. *(AP)*

Steinbrenner and Wells Nearly Come to Blows

BASEBALL A New York Yankees pitcher, David Wells, threatened to knock out the team's owner, George Steinbrenner, during a clubhouse argument two weeks ago, according to a published report.

The altercation occurred on Aug. 30, according to The Record of Hackensack, New Jersey.

The dispute reportedly began after Wells was pulled from a game against Montreal. In that Yankee loss, Darrin Fletcher of the Expos wound up with a home run when a fan in right field reached over the wall and grabbed the ball before Paul O'Neill, a New York outfielder, had a chance to catch it.

Wells suggested to Steinbrenner that extra security be added in right field, and the owner responded by telling the left-hander that he should instead worry about his pitching.

Wells is 0-5 with a 7.71 earned-run average over the past month.

The discussion turned into an argument, with Wells saying that Steinbrenner could trade him if he wasn't satisfied. Steinbrenner responded that no one wanted Wells. At that point, Wells threatened to knock out Steinbrenner.

"Go ahead, do it. Try it. You think I'm afraid of you?" Steinbrenner answered, according to the paper. Wells and Steinbrenner then apparently stared at each other for awhile before calming down. *(AP)*

Welsh Players Arrested

RUGBY UNION Three Welsh rugby union players were arrested and placed under investigation for allegedly starting a fight in which three French internationals were injured after a European Cup game on Sunday between Pontypridd and Brive.

If found guilty, Pontypridd players Dale McIntosh, Martyn Williams and Phil John would face charges of two months to two years in prison and heavy fines, French police said on Monday.

The fight erupted after the Welshmen entered a bar in Brive in which opposing players were celebrating their 32-31 victory in a tense match.

The French Rugby Union Federation's president, Bernard Lapasset, asked the European Cup discipline committee to ban Pontypridd and the players from the competition. *(Reuters)*

Patriots Spoil Return Of Parcells, 27-24

Jets Miss Victory on Blocked Kick

New York Times Service

FOXBORO, Massachusetts — The Patriots captured the game that captured the fancy of New England, but the victory didn't come easily, or even in a timely fashion. In a dramatic game that ricocheted into overtime, the Patriots prevailed, 27-24, when Adam Vinatieri kicked a 34-yard field goal.

It was a disappointing finish for the coach of the New York Jets, Bill Parcells, who returned to New England to face the team he guided to the Super Bowl last season. His team had surprised the Patriots and a shocked crowd of 60,072 at Foxboro Stadium by tying the score in the final minute of the fourth quarter Sunday night.

The Jets tied the score in regulation on Keyshawn Johnson's falling end-zone catch of a Neil O'Donnell pass with only 31 seconds remaining. Stunningly, they got the ball back when the Patriots fumbled the ensuing kickoff, only to see rookie John Hall's 30-yard field goal attempt blocked.

Vinatieri's winning kick came at 8 minutes 3 seconds of overtime after the Jets failed to capitalize on an interception and were forced to punt.

NFL ROUNDUP

In other games, reported by The Associated Press:

Ravens 24, Giants 23 Baltimore, 4-12 last year and 0-8 on the road, won at Giants Stadium on Matt Stover's 37-yard field goal with 34 seconds left.

The Ravens (2-1) took advantage of a missed extra point and two missed 41-yard field-goal attempts by New York's Brad Daluiso. Vinny Testaverde threw two touchdown passes for the Ravens.

Redskins 19, Cardinals 13, Michael Westbrook's fallaway, 40-yard touchdown catch 1:36 into overtime gave Washington a victory in the inaugural game at Jack Kent Cooke Stadium.

Westbrook, who caught only one pass in the first two games following his demotion from the starting lineup for beating up teammate Stephen Davis at preseason practice, also had a 5-yard touchdown catch in the second quarter.

Chiefs 22, Bills 16 Elvis Grbac put Kansas City ahead with a 1-yard scoring pass to Tony Richardson with 6:55 left, and the Chiefs stopped Buffalo on four plays inside the 10 in the final seconds.

The Bills drove from their 33 to a first down at the Chiefs 7 with 27 seconds left. But Todd Collins' pass on fourth down was intercepted by Mark McMillian in the end zone.

49ers 33, Saints 7 Steve Young, sidelined last week because of his third concussion in his last 10 regular-season games, threw three touchdown passes, and cornerback Rod Woodson intercepted three passes and recovered a fumble in San Francisco's rout.

The visiting Saints (0-3) turned the ball over eight times, and coach Mike Ditka finally put in a rookie, Danny Wuerffel, to replace quarterback Heath Shuler, who has eight interceptions and no touchdown passes this season.

Broncos 35, Rams 14 John Elway moved into sixth place in career NFL touchdown passes with 257 by throwing four in Denver's romp over visiting St. Louis.

Two of the passes were to Rod Smith for 72 and 38 yards, and Darrien Gordon returned a punt 94 yards for another score.

Terrell Davis had his third straight 100-yard rushing game for the Broncos, gaining 103 yards on 21 carries as they won by the same score, 35-14, for the second straight week.

Panthers 26, Chargers 7 Carolina welcomed back quarterback Kerry Collins and wrecked the home debut of the San Diego coach, Kevin Gilbride.

Collins, playing for the first time since his jaw was broken in an exhibition game on Aug. 9, threw two touchdown passes to tight end Wesley Walls. John Kasay had four field goals.

Seahawks 31, Colts 3 At Indianapolis, Warren Moon, at 40 the oldest player in the league, passed for 270 yards and a touchdown in Seattle's first victory of the season.

Moon was 24 for 38, set up a first-quarter touchdown run by Lamar Smith and even ran for a touchdown himself, his first in four years.

Buccaneers 28, Vikings 14 In a game featuring the only two teams in the National Conference without a loss, Tampa Bay improved to 3-0 for the first time since 1979, when it won its first five games en route to the NFC Championship game.

Horace Copeland caught his first touchdown pass since 1995 and set up another score with a 49-yard reception for the Buccaneers, who are 2-0 away from home after going 1-7 on the road last year.

Rookie Warrick Dunn rushed for 101 yards and scored on a 52-yard run in the fourth quarter for the Bucs, who were 6-10 last year.

Packers 23, Dolphins 18 Brett Favre threw two touchdown passes, and Dorsey Levens had a career-high 121 yards rushing as Green Bay (2-1) bounced back from a loss at Philadelphia by winning at home.

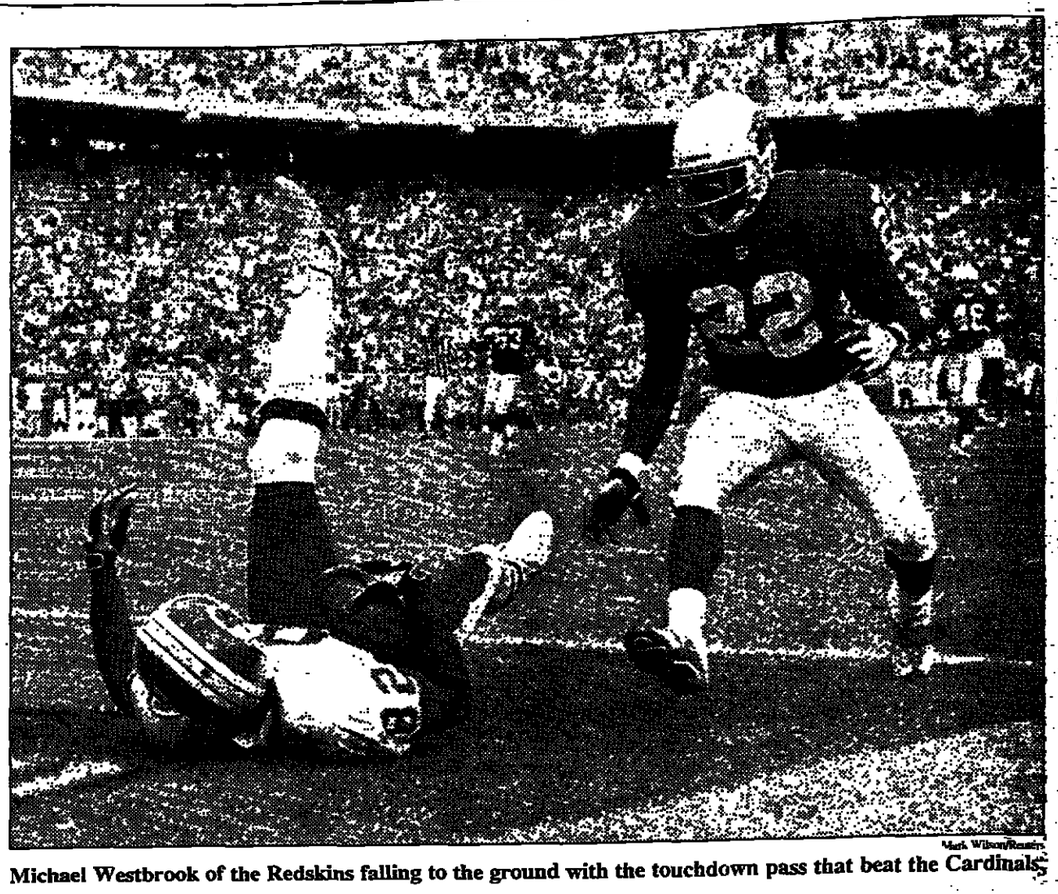
Ryan Longwell, who missed a chip-shot field goal in the final seconds that would have beaten the Eagles, hit all three of his attempts to counter four from Miami's Olindo Mare.

Lions 32, Bears 7 Barry Sanders, held to 53 yards in the season's first two games, rushed for 161, and Scott Mitchell had two touchdown passes for Detroit.

Chicago fell to 0-3 for the first time since 1969 and also lost Rashaan Salaam, a 1,000-yard rusher in 1995, for the season with a broken right leg.

Raiders 36, Falcons 31 Jeff George, released by Atlanta a year ago after a sideline tantrum, threw a 76-yard pass that set up Cole Ford's tie-breaking field goal with 4:24 remaining as the Raiders defeated the Falcons in Atlanta.

George played a minor role for most of the game. Napoleon Kaufman had two long touchdown runs for the Raiders (1-2), and Atlanta's second-string quarterback, Billy Joe Tolliver, threw a 6-yard scoring pass to Terance Mathis to tie it at 31 with 7:17 remaining. George was 12 of 22 passes for 286 yards, including a 51-yard touchdown.



Mark Wilson/Reuters

Michael Westbrook of the Redskins falling to the ground with the touchdown pass that beat the Cardinals.

One Memorable Housewarming

Pro Football/THOMAS BOSWELL

Washington Post Service

OLD HOMES, even when the paint is peeling, are warm with memories. New homes, no matter how grand, are chilly from their lack of history. Gradually, you take possession of the new place not with your mortgage payments but with your experiences there. Everything that happens, good and bad, makes it home.

Of course, good is better. Much better. Especially if you are the Washington Redskins and the new house being opened is Jack Kent Cooke Stadium.

Thanks to Michael Westbrook and Gus Frerotte, the Redskins and their fans — including thousands who never had season tickets before — now have a thrilling memory of victory in overtime that they can share. That 19-13 victory over the Arizona Cardinals — and especially the electrifying 40-yard touchdown bomb off a scramble that ended it — is a dramatic start toward making The Big Jack a real Redskins home, not just a $180 million conversation piece.

For much of Sunday's balmy afternoon, Cooke Stadium was still a chilly and distant place, full of confusing entrances and exits, new sounds and the absence of old sights. Both the Redskins and their 78,270 fans seemed disoriented and, at times, even a bit numb. It was like a first visit to a very fancy restaurant. You're too busy watching your manners to enjoy the steak.

A few thousand expensive yellow seats stood starkly empty throughout the game — no sellout for this opener.

Even in the closing minutes of the fourth quarter, as the Redskins drove for a field goal that gave them a 13-10 lead, the place was so quiet you wondered if something vital had been lost in the move from intimate, noisy RFK Stadium where so many championships were won.

Three times the Redskins ran the ball into the line from the Arizona 1-yard line. Each time they got jammed. Would that have happened if the old RFK Stadium were swaying and rocking?

With the game on the line, about 20,000 seats were empty. And those who stayed seemed more curious than passionate about the outcome. When Kevin Butler tied the game, 13-13, with two seconds to play on a 47-yard field goal — which easily cleared the crossbar — JKC Stadium actually felt for a moment like a deflated and perhaps unlucky place to play.

Now, all those spooky fears can be laid to rest. As far as the Redskins are concerned, The Big Jack can erupt just as loudly as old RFK. And the crucial luck — residue no doubt of George Allen and Joe Gibbs's design, which helped the Redskins on East Capitol Street — has now made its way to Landover, Maryland.

On the third play of overtime, Arizona's Leeland McElroy may or may not have fumbled when he was stripped as he hit the ground by rookie Kenard Lang. Even on replay, it was as close a play as a game could turn on. It was the definition of a Big Break. And the refs called it Washington's way. "Nothing wrong with starting out with some luck in this place," said the veteran Brian Mitchell.

Just because you open the gates doesn't mean a new palace of sport has been christened. For that to happen, 100,000 arms have to shoot toward the sky in unison. Every voice in the joint has to scream. The home team has to jump on the hero, even scare him half to death with its wild celebration in the end zone. And the winners must race down the tunnel to their locker room, pumping their fists over their heads as the crowd watches the replay of the game-winning play on two enormous crystal-clear jumbo scoreboards.

Cooke Stadium now has that housewarming moment, because of Westbrook and Frerotte. Two plays after the fumble recovery, the pair hooked up for their second touchdown pass of the day. Coach Norv Turner raced to hug Westbrook in the end zone. "I said something like, "Aaarrgh!' " said Turner. "And he went, "Aaarrgh!' back."

That's what the crowd yelled, too, when it got to see Westbrook's backward diving catch all over again thanks to JKC's state-of-the-art replay system.

Once you decide to move to a new home, you also have to move emotionally. It does no good to remember everything you loved about the old place. Most of all, it does no good to crab about what's wrong with the new digs. Redskins fans may need to remember that when architecture buffs take shots at The Jack — especially after the Ravens' classy new $230 million stadium opens in Baltimore.

So what if, on the outside, Cooke Stadium looks like a space ship from a boring planet. Who cares if, on the inside, it's starkly utilitarian. Who paid for it, baby? That's the question.

Was it taxpayers, as with the Ravens? Or was it the Squire? When somebody erects a new house at his own expense, then invites you over, you don't nitpick about the drapes. You say exactly what several hand-painted signs said there Sunday afternoon: "Thanks, Jack."

COOKE BUILT this stadium for three reasons: To give his team a more spacious, modern home. To let 25,000 more fans attend each game. And, thanks to sky suites, to make sure his franchise makes a lot more money in the next century than it did in the last one. Jack's three for three.

"Compared to RFK, this is not one step better," Mitchell said. "It's 10 steps above."

The end of this day brought the proper images. The team's president, John Kent Cooke, gave his club an emotional "thank you" on behalf of his late father. The team gave him a game ball. Frerotte, asked if he felt the spirit of the dynamic old Cooke in this new stadium said, "He was in every seat."

New houses only succeed if they preserve what was best from the old home. As the crowds headed to parking lots last evening, Billy Kilmer, Sonny Jurgensen and Len Hauss were in their cars, about to head home. "There's *Billy!* There's Jurgy! There's Hauss," bellowed the middle-aged men as they broke into a run, trying to catch their heroes.

Someday, when Cooke Stadium is old and obsolete, perhaps there'll be a new Opening Day somewhere else. And fans, now still young, may chase Westbrook and Frerotte, gray and moving slow, through another parking lot. Tradition, at its best, is a circle.

And, no matter where you go, you never really leave the loop.

Piccoli Takes Vuelta Stage

Reuters

ALMENDRALEJO, Spain — Mariano Piccoli of Italy pinned down his first triumph of the year in the Vuelta on Monday, taking the 10th stage after missing out on a victory two days ago.

He shook off Juan Vicario of Spain about 150 meters from the line after they had shared the lead for 180 kilometers of the 224.5-kilometer (139-mile) leg from Cordoba.

Jan Svorada of the Czech Republic was third, 25 seconds behind, heading the main pack that contained the race's overall leader, Alex Zuelle of Switzerland.

Piccoli, riding in his first Tour of Spain, missed out Saturday when he was the driving force behind a long breakaway that took 10 men clear on the road from Granada. Yet when it came to a two-man showdown for the victory, he lost to a Dutchman, Bart Voskamp, at Cordoba.

"I have been trying all year, and now I have made it," said Piccoli after the stage Monday.

A Corporal Steps Down, Baton Intact

By Samuel Abt
International Herald Tribune

PARIS — Hoping to inspire his troops to boldness, Napoleon declared that every corporal carries a field marshal's baton in his knapsack. Be brave, seize the moment, attack — the emperor's maxim is still taught in French schools.

Francois Lemarchand, a corporal throughout his long career as a bicycle racer, carried that baton once himself. In the French championships last year, he and a rival, Laurent Roux, were far ahead of the chasing pack and nearing the finish line in a drizzle. As they turned one of the final corners, Lemarchand's bicycle slid out from under him on the slick road and he crashed into a wall. Dazed, he slowly remounted his bicycle and finished 11th.

"I was confident," he said afterward. "I thought if it came to a sprint, it would be 50-50 at worst. I imagined myself champion of France."

"*My biggest disappointment?*" Lemarchand said the other day, repeating a question. "Now, yes. Last year, yes, but now even more."

By that, he meant that he will not have another chance. After 13 years as a professional, Lemarchand will retire this month at the age of 37, the oldest man in the French pack. His last competition will be the Grand Prix d'Isbergues, a second-level race in the north of France, on Sunday.

"Isbergues and then it's all over," the native of Normandy said on the phone. "A few criteriums after, but ..." What do criteriums — exhibition races — matter to a rider who started and finished 10 Tours de France and who believed that he could be the French national champion?

"I'm always asked what I think of my career and that's a dark patch," he said of the crash. "And now it won't come knocking again." He laughed softly. "Not at all."

"I had the same thing happen in the Tour de France a few years ago, getting caught 50 meters from the finish. Those are big disappointments, the two biggest. If I could have pulled off those victories, I might have had another career. Win a Tour stage, the French champion — after that, well, you can talk, you know."

He has been a team rider, a corporal taking orders from such generals as Stephen Roche, Greg LeMond and Chris Boardman. Typically, he said that his biggest thrill in the sport was helping LeMond win the Tour de France in 1990.

"Bringing the yellow jersey to Paris," he said. "And to be in the spotlight when the team rode a lap of honor on the Champs-Elysees. It's exceptional."

"And my other great pride is to have finished 10 Tours out of 10. I never gave up. I don't think there are many who can say that." Roche, LeMond and Boardman all stopped in the Tour at least once, he was reminded. "Exactly," he replied. "Stopped. Exactly."

In addition to his 10 Tours de France, he completed both of the Giros d'Italia and both Vueltas a Espana that he entered.

Lemarchand, who rides for the Gan team from France, does not expect a Hollywood ending to his career in Isbergues. No, he won't win. "The physical side isn't super," he said, referring to an operation for a saddle sore in June that kept him from riding in the Tour. "I didn't ride for a month. No competition for a month, it's not possible to stay at the highest level."

His motivation is down too, he admitted. "Knowing that I'm stopping, that makes a difference. The minute I made the decision to stop, I pulled the plug. I used to train all the time but since I made the decision to stop, I can't train."

"Still," he added, "I have the feeling of a job well done. It's a good page. Not everybody had this luck, those who work from age 20 in a factory."

Lemarchand is not quite sure what he will do once he hangs his bicycle in the garage. "I'd like to stay in cycling," he said vaguely. "Maybe not for a team, in cycling in general."

Until then, there is his final race in Isbergues. "My only motivation," he said, "is to be at the start, to see my buddies, to enjoy the race's ambience."

"What I would have liked would have been to finish while racing well, but it won't happen. I might even have to drop out of the race.

"I'm not a rider who's dropped out of many races," the ironman said, "but now it's almost impossible for me to finish."

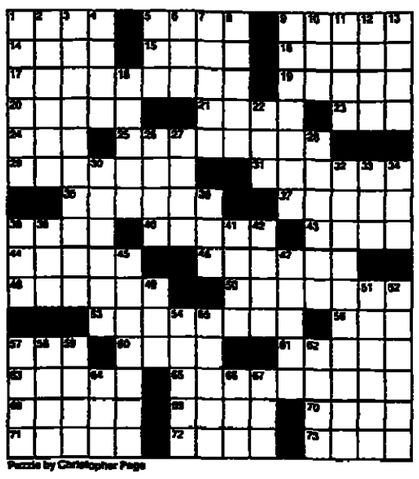
CROSSWORD

ACROSS

1 "Holy mackerel!"
5 Shady lady
9 Landscaper's tool
14 California wine valley
15 1847 South Seas adventure
16 Running bowline, e.g.
17 Desert mount
18 7-11 game
20 Full up
21 Aria, usually
23 "I" topper
24 "Yuck!"
25 Place for marbles
28 Baby blues
31 Hillbilly TV tare
35 Strait of Dover port
37 Got some shuteye
38 Hightail it
40 New Zealand native
43 Executive: Abbr.
44 Bit of parsley
46 "You've got my support"
48 Settles bills
50 How many bouquets are made
53 Desperation football pass
56 Native: Suffix
57 Bad Ems, e.g.
60 School sports org.
61 Gave a ticket
63 Caterpillar, for one
65 Irish locale of song
66 Caper
69 Go —— detail
70 "The Masque of Alfred" composer
71 Kind of answer
72 Kind of tide
73 Humorist Bill and others

DOWN

1 Finishes
2 Home annex
3 Rx purveyor
4 Woman of distinction
5 Physique, slangily
6 Physicians' grp.
7 "What's the —— that could happen?"
8 "—— mind?"
9 They follow standing ovations
10 Golden, in France
11 Spur
12 Hockey great Phil, familiarly
13 Take five
18 1957 Ford debut
22 ——di-dah
26 Bygone London transport
27 Part of SEATO
28 Barker
30 Reverend's responsibility
32 Like many titles
33 "Tarzan" extra
34 Lb. and kg.
36 ——disant (self-styled): Fr.
39 Recipe amt.
39 Emissions tester: Abbr.
41 Pro ——
42 Operatic prince
45 Camel's cousin
47 Rolls's partner
49 Paparazzo's prize
51 Ev'rlasting
52 Goes brunette this time
54 "E pluribus unum," e.g.
55 Bath's state
57 Leave laughing
58 Glazier's unit
59 Theater, opera, etc.
62 Tabriz's land
64 Bordeaux, e.g.
66 Educ. group
67 Top 40 music



Puzzle by Christopher Page

© New York Times/Edited by Will Shortz.

Solution to Puzzle of Sept. 15

A	M	A	S		P	S	A	T		G	A	U	N	T
L	U	F	T		I	N	G	E		A	N	N	I	E
A	C	R	O		E	O	N	S		U	N	I	T	E
S	H	O	W	E	R	W	I	T	H	L	O	V	E	
			D	R	Y			A	L	Y				
G	A	R	A	G	E		B	R	I	E		K	A	T
A	L	I	C	E		T	O	O	T		A	E	R	O
P	I	P	E	D	O	W	N	W	I	L	L	Y	O	U
E	V	E	S		G	I	G	S		A	L	I	S	T
D	E	N		E	R	G	O		S	P	I	N	E	S
		U	S	E			G	U	S					
	S	I	N	K	S	T	O	A	N	E	W	L	O	W
V	I	N	C	I		E	N	I	D		A	U	R	A
I	L	I	U	M		E	T	N	A		R	A	C	Y
M	O	T	T	O		N	O	S	Y		D	U	N	S

Orioles' Parris

Jamaica Advance

SCOREBOARD

FOOTBALL

NFL Standings

DEVILS

Air One

BOOKSTANSTED

PHILADELPHIA

SPORTS

Orioles' Davis: Sadder but Wiser

Washington Post Service

Vantage Point/ JENNIFER FREY

IT WAS a Sunday afternoon when Shirley Frazier got the visit every parent fears. Frazier went to church that morning. Church is her refuge, her haven, and she has needed it this summer.

Every week, when the minister, Glen Kirby, asked the congregation for their special prayers, someone — a friend, a relative, a neighbor — would ask that they pray for Frazier's son, Eric Davis, who was fighting colon cancer.

And every Sunday, Frazier would nod her head at the gesture and add her voice to the chorus of "Amen."

On this particular Sunday, though — on the Sunday of Labor Day weekend — Davis was back with the Orioles, working out and showing few side effects from his chemotherapy treatments. He was talking about beating cancer, about getting back to the business of baseball. And, across the country, in a small church in Southern California, his mother decided it was time to give thanks.

"I spoke up and prayed and praised God for allowing him to go back to baseball, for making him so strong," Frazier said, her voice wavering as she recalled that morning. "And it was just devastating when that very afternoon they brought me the news of Jimmy."

Her house was filled with guests, invited for a holiday barbecue, when the police officers came to the door and told Frazier that her other son, Eric's big brother Jimmy, had died of a heart attack at 36.

Jimmy had never shown any signs of heart trouble. He lived with his mother, and he was the one who always told Frazier, "You eat too much pork! You eat too much red meat!" while he stood in the kitchen and cooked her a chicken breast, or some turkey, for dinner. This summer, when her blood pressure went up and she spent most of her time and energy worrying about Eric, it was Jimmy who worried about her.

"She's a blessing from God, that's what she is," Jimmy told a visitor one afternoon this past July. "Sometimes I think women are a lot stronger than men in a lot of ways. I know that she's always been the backbone of this family."

Frazier was Eric's backbone when he learned in June that he had a malignant tumor in his colon. She flew to Baltimore almost immediately and was at his bedside when he awoke from surgery. In the following days, she moved into his apartment and fluffed his pillows, cooked his meals, held his hand while he recovered from both the operation and the shock of his diagnosis. She never cried in front of him. She never let him know she was scared.

She was scared, though, just as any mother would be. Her "baby" — she still calls Eric that — is only 35 years old. He is a husband and father to two little girls. "I just pray that he can be strong, and get through this, and that he'll be able to go back to baseball," she said earlier this summer. "That's what I want for him."

She got her wish. Davis will play for the Orioles this week — he said Saturday he planned to return either Monday or Tuesday — in what is certain to be an emotional game. When Brett Butler returned from throat cancer to play center field for the Dodgers last season, he talked about how he hoped he could be an inspiration to other cancer sufferers, and he was one.

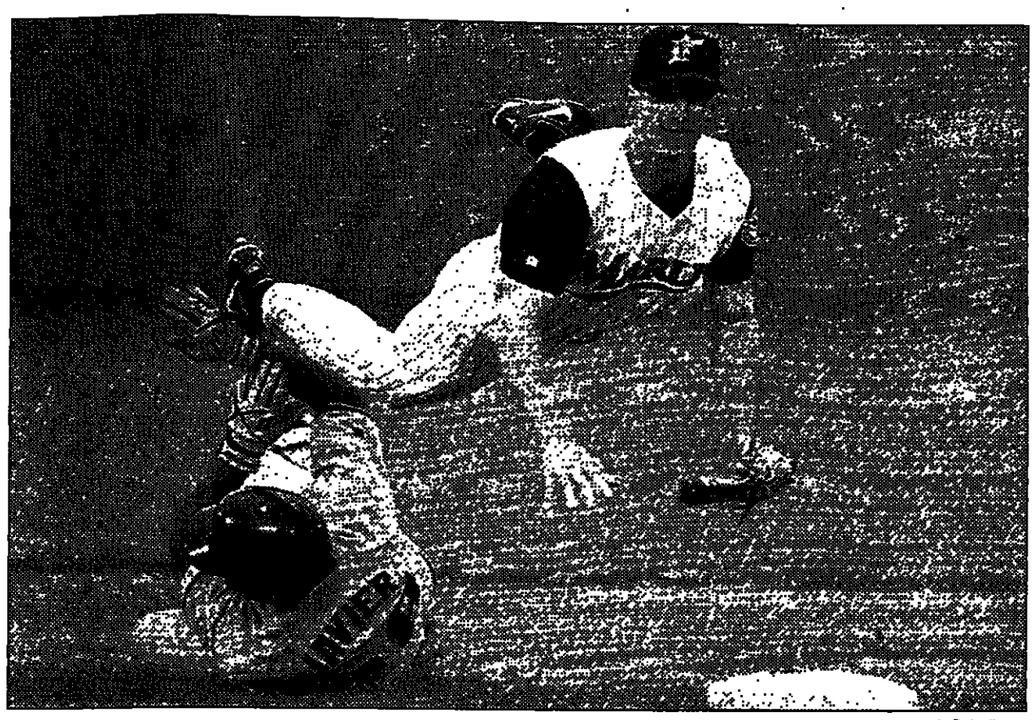
Davis is trying not to look at his return that way. "I don't want this to be an inspirational thing," he said last week. "I'm looking at it as being able to do *what I love to do.*"

DAVIS LEARNED something valuable from his trials this summer. He learned what so many athletes try to ignore: He is human, and no matter how many home runs he hits, he's not going to be immune to life's misfortunes. He can be in perfect physical condition, his body honed, and cancer still can find a way to grow inside him. He can make millions of dollars, move his mother, his brother — his entire extended family — into a nice house in a nice neighborhood, and his brother can still wind up dying young.

"It's reality," Davis said. "Cancer is reality. Death is reality. I'm not any different than anyone else who deals with tragedy in their life."

He is, and he isn't. Last Saturday, when the family buried Jimmy, Davis was just like anyone else mourning the death of a big brother. According to his mother, he gripped his sister tightly and tears rolled down his cheeks. "I looked at him," she said, "and I could see that he wanted so badly to be strong for me, but I could see he was in so much pain."

But when he returns to the outfield at Camden Yards, whether he tries to, he will be an inspiration, because we live in a society that treats athletes as role models, as examples for the rest of us.



Lolin Bailey/Reuters

The Marlins' second baseman Craig Counsell, upended by the Giants' Stan Javier, completing the double play.

Mariners Win, but Griffey's Stuck

The Associated Press

Jay Buhner hit a two-run homer in the eighth inning as the Seattle Mariners rallied past the Toronto Blue Jays, 3-2, to hold their 5½-game lead in the American League West.

Ken Griffey Jr. failed to homer for the seventh straight game on Sunday to remain stuck at 50, but host Seattle cut its magic number for winning the AL West over Anaheim to eight.

Angels 3, Royals 2 In Anaheim, Garret Anderson broke up Tim Belcher's no-hit bid with a seventh-inning double and drove in the winning run with a sacrifice fly in the eighth.

Indians 8, White Sox 3 In Chicago, Sandy Alomar hit a bases-loaded single to key a bizarre seven-run eighth.

Red Sox 2, Brewers 1 In Milwaukee, Nomar Garciaparra hit his 29th homer and Butch Henry (7-2) allowed six hits in seven innings.

Twins 11, Rangers 1 In Arlington, Texas, Todd Walker hit a three-run homer that highlighted a six-run first inning.

Tigers 6, Athletics 5 Scott Sanders (6-12) won consecutive starts for the first time this season for visiting Detroit, and Bob Hamelin and Tony Clark homered.

Yankees 8, Orioles 2 Bernie Williams had three hits and three RBIs as visiting New York beat Baltimore. The Orioles'

BASEBALL ROUNDUP

magic number to gain at least a wild-card spot remained at one.

In the National League:

Dodgers 4, Astros 3 In Houston, Mike Piazza singled home the winning run in the 10th inning, stopping the Dodgers' five-game losing streak.

Rockies 4, Braves 0 Colorado won its 15th in 17 games, completing a three-game sweep in Atlanta. Atlanta's NL East lead was cut to 4½ games over second-place Florida.

Marlins 5, Giants 4 In Miami, Kurt Abbott broke an eighth-inning tie with an swinging bunt in the eighth that rolled 10 feet for an RBI single. Pinch hitter Jim Eisenreich followed with a sacrifice fly for a 5-3 lead.

Cubs 3, Pirates 2 In Pittsburgh, Mark Clark (13-7) gave up six hits in eight innings to win his sixth straight.

Mets 1, Expos 0 In New York, a ninth-inning collision at home plate that led to three Montreal ejections overshadowed Dave Mlicki (8-11), who allowed seven hits in 8⅔ shutout innings.

Cardinals 10, Padres 4 Mark McGwire hit his 51st homer, and host St. Louis scored seven runs in the eighth.

Reds 6, Phillies 4 Jon Nunnally had three hits and scored two runs for the visiting Reds.

TO OUR READERS:

Due to technical difficulties, some of the scores, standings and listings that typically appear in the Scoreboard section were not able to be published in today's editions. We apologize for the inconvenience.

Jamaica Advances in Regional Soccer Finals

The Associated Press

Jamaica, bidding to become the first Caribbean country to qualify for the soccer World Cup, got a big boost with a 1-0 victory over Costa Rica that moved it ahead of the United States into second place in the regional finals.

Deon Burton scored 11 minutes into the second half Sunday at Kingston. Jamaica is unbeaten in 29 consecutive home games.

"We have to get a point in each of our upcoming matches against the United States and El Salvador to feel secure," the team's coach, Carl Brown, said.

Three countries will advance to the 32-nation tournament in France next summer from among the six teams in the final round of qualifying in the North and Central American and Caribbean region.

Mexico (3-0-2) leads with 11 points, ahead of Jamaica (3-2-2) on goal difference. The United States (2-1-3), which next plays against Jamaica on Oct. 3 in Washington, is third with nine points.

WORLD CUP QUALIFIERS

El Salvador (2-2-3) routed visiting Canada, 4-1, Sunday and trails the U.S. team on goal difference. Costa Rica (2-4-2) dropped into fifth place and is winless in four games, losing three. Canada (1-4-2) is last and needs victories in Mexico and Costa Rica, and at home against the U.S. team.

As a result of the games Sunday, the earliest the United States could clinch one of the three berths is against Canada at Vancouver on Nov. 9. The Americans also play at Mexico on Nov. 2 and finish against El Salvador on Nov. 16 at Foxboro, Massachusetts..

In Group B of the second round of Asian qualifying, Yousef Thunaian scored off a controversial free kick in the 54th minute as Saudi Arabia won its opener, 2-1, over Kuwait at Riyadh.

SCOREBOARD

FOOTBALL

NFL STANDINGS

AMERICAN CONFERENCE

EAST	W	L	T	Pct.	PF	PA
New England	3	0	0	1.000	99	37
Miami	2	1	0	.667	58	46
Buffalo	1	2	0	.333	57	78
N.Y. Jets	1	2	0	.333	87	58
Indianapolis	0	3	0	.000	19	78
CENTRAL						
Jacksonville	2	0	0	1.000	68	40
Baltimore	2	1	0	.667	74	61
Cincinnati	1	1	0	.500	34	44
Pittsburgh	1	1	0	.500	50	21
Tennessee	1	1	0	.500	37	37
WEST						
Denver	3	0	0	1.000	89	31
Kansas City	2	1	0	.667	53	62
Oakland	1	2	0	.333	84	83
San Diego	1	2	0	.333	34	73
Seattle	1	2	0	.333	48	79

NATIONAL CONFERENCE

EAST	W	L	T	Pct.	PF	PA
Washington	2	1	0	.667	56	37
Dallas	1	1	0	.500	59	32
Philadelphia	1	1	0	.500	27	40
Arizona	1	2	0	.333	59	65
N.Y. Giants	1	2	0	.333	67	81
CENTRAL						
Tampa Bay	3	0	0	1.000	65	37
Detroit	2	1	0	.667	77	48
Green Bay	2	1	0	.667	70	52
Minnesota	2	1	0	.667	75	65
Chicago	0	3	0	.000	55	97
WEST						
Carolina	2	1	0	.667	45	37
San Francisco	2	1	0	.667	54	32
St. Louis	1	2	0	.333	64	74
Atlanta	0	3	0	.000	54	73
New Orleans	0	3	0	.000	37	91

SUNDAY'S RESULTS

Washington 19, Arizona 13, OT
Baltimore 24, New York Giants 23
Kansas City 22, Buffalo 16
Detroit 32, Chicago 7
Green Bay 23, Miami 18
Oakland 36, Atlanta 31
Tampa Bay 28, Minnesota 14
Carolina 26, San Diego 7
San Francisco 33, New Orleans 7
Denver 35, St. Louis 14
Seattle 31, Indianapolis 3
New England 27, New York Jets 24, OT
Open date: Cincinnati, Tennessee, Jacksonville, Pittsburgh

THE AP TOP 25

The Top Twenty Five teams in The Associated Press college football poll, with first-place votes in parentheses, records through Sept. 13, total points based on 25 points for a first place vote through one point for a 25th place vote and previous rankings:

	Record	Pts	Pv
1. Penn St. (25)	2-0	1,641	1
2. Washington (19)	2-0	1,615	3
3. Florida (14)	2-0	1,598	2
4. Tennessee (6)	2-0	1,543	4
5. Florida St. (3)	2-0	1,483	5
6. North Carolina (1)	2-0	1,379	7
7. Nebraska (2)	2-0	1,364	6
8. Michigan	1-0	1,253	14
9. Ohio St.	2-0	1,235	9
10. LSU	2-0	1,165	10
11. Alabama	2-0	1,007	15
12. Auburn	2-0	878	16
13. Iowa	2-0	850	18
14. Arizona St.	2-0	698	24
15. Colorado	1-1	696	8
16. Clemson	2-0	669	19
17. Michigan St.	2-0	660	21
18. Virginia Tech	2-0	603	22
19. Washington St.	2-0	490	—
20. Kansas St.	2-0	431	20
21. Stanford	1-1	323	17
22. Miami	1-1	244	13
23. Colorado St.	2-1	172	25
24. UCLA	1-2	131	—
25. Georgia	2-0	127	—

BASEBALL

MAJOR LEAGUE STANDINGS

AMERICAN LEAGUE

EAST DIVISION	W	L	Pct.	GB
Baltimore	90	56	.616	—
New York	84	63	.571	6½
Boston	73	75	.493	18
Detroit	73	76	.490	18½
Toronto	71	78	.477	20½
CENTRAL DIVISION				
Cleveland	78	66	.542	—
Chicago	73	76	.490	7½
Milwaukee	72	75	.490	7½
Kansas City	60	86	.411	19
Minnesota	60	87	.408	19½
WEST DIVISION				
Seattle	83	67	.553	—
Anaheim	77	72	.517	5½
Texas	70	79	.470	12½
Oakland	61	89	.407	22

NATIONAL LEAGUE

EAST DIVISION	W	L	Pct.	GB
Atlanta	91	57	.615	—
Florida	86	61	.585	4½
New York	81	67	.547	10
Montreal	74	74	.500	17
Philadelphia	59	88	.401	31½
CENTRAL DIVISION				
Houston	75	73	.507	—
Pittsburgh	71	78	.477	4½
St. Louis	69	79	.466	6
Cincinnati	68	80	.459	7
Chicago	63	86	.423	12½
WEST DIVISION				
Los Angeles	82	67	.550	—
San Francisco	82	67	.550	—
Colorado	77	72	.517	5
San Diego	70	79	.470	12

SUNDAY'S LINESCORES

AMERICAN LEAGUE

Boston 000 020 000—2 4 1
Milwaukee 000 001 000—1 7 1
B.Henry, Wasdin (8), Avery (8), Gordon (9) and Hatteberg; J.Mercedes, Wickman (8), Davis (9) and Sfiznelt, Levis (9). W—B. Henry, 7-2. L—J. Mercedes, 6-10. Sv—Gordon (8). HR—Boston, Garciaparra (29).

Cleveland 000 000 071—8 11 0
Chicago 110 000 001—3 11 1
Colon, Shuey (7), M.Jackson (8), Mesa (9) and S. Alomar; Navarro, McElroy (7), N. Cruz (7), T. Castillo (8), J. Darwin (8), Fordham (8), Fowlke (8), Karchner (8), Levine (9) and Fabregas. W—Shuey, 4-1. L—J. Darwin, 0-1. HR—Cleveland, Thome (40).

Minnesota 600 211 010—11 21 0
Texas 000 000 010—1 10 1
Serafini, Ritchie (8) and D. Miller; Valentine (8); Witt, Santana (1), Moody (5), Eversgerd (6), Te.Clark (7) and I. Rodriguez; H.Mercedes (8). W—Serafini, 2-0. L—Witt, 11-11. HRs—Minnesota, D.Ortiz (1), T. Walker (2), Texas, D. Cedeno (4).

Kansas City 001 000 100—2 7 0
Anaheim 000 000 21x—3 5 0
Belcher, Service (7), J. Walker (8) and Macfarlane; K.Hill, James (8), Percival (9) and Turner, Kreuter (8). W—James 5-5. L—Service 0-1. Sv—Percival (25). Hr—Anaheim, Howell (11).

Detroit 000 021 021—6 15 0
Oakland 000 020 021—5 10 0
S.Sanders, Micell (7), Brocail (8), Te.Jones (9) and Casanova; Haynes, A. Small (6), Groom (7), Taylor (8), C. Reyes (9), Kubinski (9), Wengert (9) and Mayne. W—S. Sanders 6-12. L—Haynes 3-4. Sv—Te.Jones (29). HRs—Detroit, Te.Clark (32), Hamelin (17).

Oakland, Grieve (2).

Toronto 000 020 000—2 6 0
Seattle 001 000 02x—3 7 0
Carpenter, Crabtree (7), Plesac (7), Risley (8) and O'Brien; Moyes, Timlin (8), Slocumb (9) and Da.Wilson. W—Timlin 6-4. L—Risley 0-1. Sv—Slocumb (24). HRs—Toronto, C. Delgado (30), Crespo (1). Seattle, Buhner (34).

New York 000 302 200—8 18 0
Baltimore 100 001 000—2 7 0
Gooden, Boehringer (6), Stanton (6), Nelson (9) and Posada; Kamieniecki, Rhodes (6), Mills (6), Orosco (7), Te.Mathews (7), Br.Williams (9) and Webster, C. Greene (9). W—Gooden 8-4. L—Kamieniecki 9-6. HR—New York, Curtis (15).

NATIONAL LEAGUE

Colorado 000 000 013—4 10 1
Atlanta 000 000 000—0 4 1
Astacio, Dipoto (9) and Je.Reed; Smoltz, Lidtenberg (9) and J.Lopez. W—Astacio, 11-9. L—Smoltz, 14-12. HR—Colorado, Vander Wal (11).

Montreal 000 000 000—0 7 0
New York 000 010 00x—1 3 0
C.Perez, Bennett (8) and Fletcher; Mlicki, McMichael (9) and Pratt. W—Mlicki, 8-11. L—C. Perez, 12-11. Sv—McMichael (7). HR—New York, L. Lopez (1).

Chicago 002 000 001—3 7 1
Pittsburgh 010 000 010—2 6 4
M.Clark, T. Adams (9) and Servais; Cooke, Sadowsky (7), M. Wilkins (8), Rincon (9), Loiselle (9) and Oslk. W—M. Clark, 13-7. L—Rincon, 4-8. Sv—T. Adams (17). HR—Pittsburgh, Ward (4).

Cincinnati 000 400 101—6 9 2
Philadelphia 000 200 011—4 8 2
Tomko, Belinda (8), Shaw (9) and Taubensee; T.Green, Karp (7), Blazier (8), Bottalico (9) and Lieberthal. W—Tomko, 11-6. L—T. Green, 4-4. Sv—Shaw (37). HR—Philadelphia, K. Jordan (4).

San Diego 200 110 000—4 12 2
St. Louis 100 101 07x—10 11 0
J.Hamilton, Kroon (8), Te.Worrell (8), D. Veras (8) and Flaherty; Aybar, Painter (6), C. King (7), Fossas (8), Petkovsek (9) and Marrero. W—Fossas, 2-6. L—Kroon, 0-1. HRs—San Diego, S. Finley (27). St. Louis, McGwire (17).

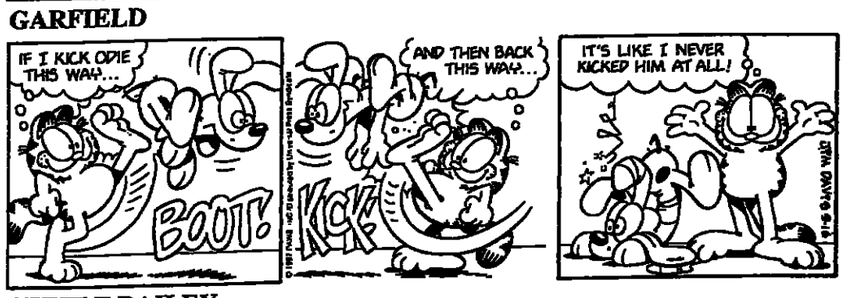
Los Angeles 000 200 010 1—4 7 0
Houston 200 000 010 0—3 6 1
(10 innings) Nomo, Dreifort (8), Radinsky (8), Te.Worrell (10) and Piazza. Prince (10); Holt, R. Springer (8), B. Wagner (9), Lima (10) and Ausmus. W—Radinsky, 5-1. L—B. Wagner 7-8. Sv—Te.Worrell (35).

San Francisco 010 000 021—4 8 1
Florida 000 000 32x—5 6 0
D.Darwin, Tavarez (6), R. Rodriguez (7), R. Hernandez (7), Mathallard (8) and Berryhill, B. Johnson (7); A.Leiter, F. Heredia (5), Alfonseca (6), Vosberg (7), Powell (8), Nen (9) and C. Johnson. W—Powell 6-2. L—R. Hernandez 3-2. Sv—Nen (33). HR—Florida, Sheffield (19).

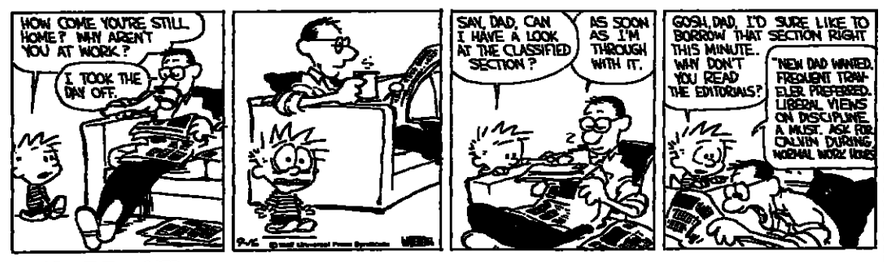
DENNIS THE MENACE

PEANUTS

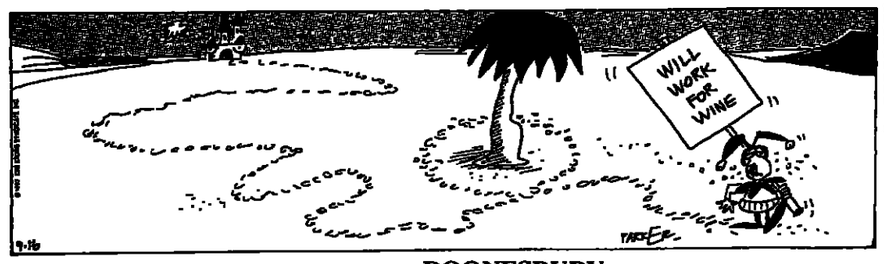
GARFIELD



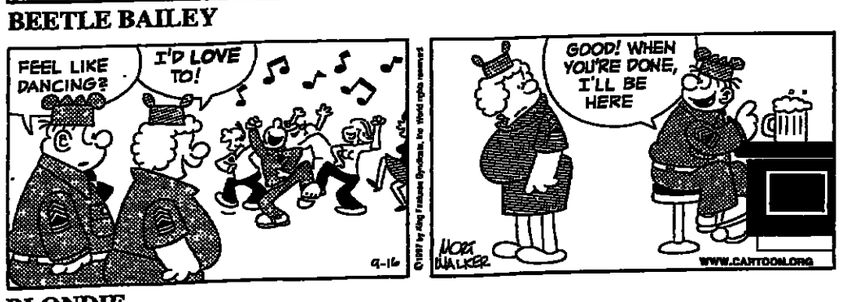
CALVIN AND HOBBES



WIZARD of ID



BEETLE BAILEY



BLONDIE

NON SEQUITUR

DOONESBURY

JUMBLE®

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

TREEB

NOJAB

TUSDIP

MYCLAB

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here : HER

(Answers tomorrow)

Yesterday's Jumbles: WRISK FINDS HALVED SYMBOL
Answer: Throwing a plate in anger resulted in this — A "DISH-MISSILE"

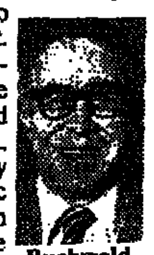
Air One
LONDON/STANSTED
MILAN/LINATE
BOOKING OFFICE
06/488800 - 1478/48880

ART BUCHWALD

The Celebrity Crisis

WASHINGTON — The question of celebrity arises once again.

People are celebrities because they have been created by the public. The larger the celebrity, the more money is deposited into his account. Some celebrities do not like to be bothered by the media, although they employ a public relations person to guarantee that they get a good press.



Buchwald

Celebrities are not mad at everyone in the press, only those who give them a bad one.

It's not all terrible being a celebrity. You get the best tables in restaurants, and quite often management will pick up your tab. You get the reservations you want on airplanes, and if you're really hot stuff, the studios will lend you one of theirs.

□

You also get large discounts in dress shops and wine cellars and even a good price on a condo in a new development.

Public recognition can be a plus and a minus. It's a plus when the crowd is friendly and the applause is loud. It's a minus when you are with somebody you are not supposed to be with and the photographers ambush you.

Big celebrities make huge amounts of money and have to spend it on bodyguards and lawyers who threaten to sue newspapers.

Celebrities cannot understand why, after so many flattering things are written about them, so much bad news follows right along.

Here's how it goes:

"Rhett, I got you five minutes on 'Hard Copy' talking about your new movie."

"I hate that show."

"It has a bigger rating than C-SPAN."

"What is my photo doing on the cover of the National Enquirer?"

"I planted it. Most of my clients would kill to be seen on that cover."

"Without any clothes on?"

"If that's what it takes to make the cover, I say let's go for it."

□

"Three people climbed over my fence last night."

"That's because of who you are. There aren't many celebrities who have fans climbing over their fences. Rhett, every time a fan invades your back yard, the studio has to pay you another half-million dollars."

"I'm not sure that I want to be a celebrity any more."

"It's not for you to decide. It's up to the public. Once they anoint you the photographers can go to work and then it's nothing but 'Entertainment Tonight.'"

□

"One of the things I hate about being a celebrity is the way they try to tear off all your clothes."

"If you're box-office material, the studio will buy you new clothes."

"I also don't like women screaming at me when I walk into the Academy Awards."

"They do it because they love you. It's money in the bank."

"Do you think it's possible to have a decent life if you are not a celebrity?"

"It's possible, but it won't get you any tickets to a Lakers game."

20 Years On, the Callas Legend Keeps Growing

By Anthony Tommasini
New York Times Service

NEW YORK — What is it about Maria Callas that continues to mesmerize us 20 years after her death?

The iconic soprano has become the focus of a cult that the playwright and opera expert Albert Innaurato recently described as preposterous. There is something perverse in the way Callas crazoids cherish pirated recordings of her most vocally frayed live performances.

Yet her importance to opera has never been more pervasive. And her legend has never been richer, stoked in part by Terrence McNally's recent play "Master Class," a hit with audiences though not with many music critics, who reject the portrayal of this supreme artist as a self-absorbed, sniping and silly woman.

It is understandable that Callas's singing still polarizes listeners. Her voice can sound strident, dangerously out of control, even ugly. There is a leap you have to make to get to where she is as an artist, and once you cross over, it's hard to look back.

To a listener in the throes of a Callas recording, all other sopranos can seem like pale substitutes. She exploded the concept of what beautiful singing means: Is it pretty sounds and pure tones? Or should beauty evolve from text, musical shape, dramatic intent and, especially, emotional truth?

Tuesday marks the anniversary of Maria Callas's death in Paris in 1977 at the age of 53. To acknowledge the anniversary, a major exhibition has opened at La Scala in Milan and is scheduled to tour the United States and Japan.

In December a seminar at the Smithsonian Institution in Washington will bring together historians, critics and singers to grapple with her legacy. A street in Paris is to be named after her. And in Greece an eternal flame is being dedicated the same day that a naval ship will lay a wreath on the waters where her ashes were scattered.

Most important, EMI Classics, the record company with which Callas was associated, is releasing its entire Callas catalogue on compact disks, impressively remastered from the original tapes. Many of these are benchmarks of recording history, providing riveting evidence of the way Callas conveyed emotional truth through her unconventional artistry.

Take her searing 1954 recording of "In questa reggia" from Puccini's "Turandot." Think of what she is singing about. Turandot, an icy princess in ancient Peking, nurses a hatred of all men because her revered ancestor, Lo-u Ling, was raped and murdered.

In "In questa reggia," Callas, as Turandot, begins telling the story with steely defiance to a heedless young suitor. "In this palace" thousands of years ago, "un grido disperato" ("a desperate cry") rang out. "E quel grido" ("and that cry") she sings, leaping with a ferocious wail to a high A, "took shelter in my heart," settling into dusky tones that convey the exhausting daily effort of sheltering that cry.

As Turandot invokes the name of Principessa Lo-u Ling, Callas ascends a sublimely sad phrase to a sustained midrange C sharp that seems to come from a place thousands of years away. As the soft note gains in intensity and starts to wobble, Lo-u Ling's tragedy is painfully evident.

Beverly Sills, who points to Callas as a role model, heard her only once, in a 1958 production of "La Traviata" at Covent Garden, and on that night Callas was in poor voice.

"She knew it, too," Sills said recently. "She didn't deceive herself about the state of her singing. She was visibly nervous. But her use of words, the vitality of language in her singing, was amazing. She was hell-bent on her own destruction, and broke all the rules of singing. But so what? That's why 20 years later we're talking about her."

The Associated Press

Maria Callas in "Medea" at La Scala opera house in Milan.

The new EMI sets have been repackaged in black-and-white boxes, which gives the series an archival look. Already in the stores is the first installment: 20 complete recordings of operas by Rossini, Verdi, Bizet, Puccini and others, including two legendary Bellini interpretations — the 1954 "Norma" with her mentor Tullio Serafin conducting and the acclaimed "I Puritani" with her most frequent partner, the tenor Giuseppe Di Stefano.

The remastered "Tosca," conducted by Victor de Sabata, which some critics have called, over all, the finest opera recording ever made, will also be released on Oct. 7 in CD-ROM format, with texts, biographies and production photos.

Phase two of the project will come in January with the release of 11 midprice recital disks as well as, for the first time on CD, Donizetti's "Poliuto" with the molten-voiced tenor Franco Corelli, whose clashes with the tempestuous diva were notorious.

The final installment, next March, will offer nine additional complete operas, plus two double-disk collections of rarities, some 70 disks in all. The company is confident that the rereleases, most of which have been available at one time or another, will be scooped up again in these new formats.

The glamour of Callas's life has been much exaggerated. Born in New York City to Greek parents, she returned with her mother to Greece at 14 and entered the conservatory in Athens. She began her career as a chunky woman, awkward on stage and unsure of her musical direction. Then with sheer determination she shed 70 pounds and became the sleekly beautiful and charismatic musical actress of legend.

There were essentially just two men in her life: her husband, Giovanni Battista Meneghini, 20 years her senior, who protected like a father and nurtured her career, and Aristotle Onassis, who lured her with promises of luxury and marriage, cared nothing for her art and publicly rejected her for the widowed Jacqueline Kennedy.

Callas's stature as a musician took a hit in McNally's "Master Class." His Callas is a caricature of the vulnerable woman and dedicated professional who gave 12 master classes at the Juilliard School in 1972, excerpts of which were released 10 years ago on another EMI set.

At the time of these classes, Callas's voice was virtually gone. Yet in struggling to help these awestruck students she could not refrain from singing herself, even when it meant exposing her ravaged vocal condition, which took great personal courage. McNally's Callas does no singing, just carping and carrying on.

In a way, Callas had to sing for the students, because she was not articulate about her artistry, or much else.

Sills met with her only once, for a 90-minute tea. "We sat and chatted," she recalled, "and, in truth, there was nothing intellectually memorable about her in person.

"She asked what I did in my spare time. I told her that I was a word freak; I did word games and read books. She said: 'I don't read; I don't have the patience. I'm too fidgety.' She was serious and pleasant. In a way, she was an ordinary person with an extraordinary talent."

'CANDLE' IN THE STORM

As CDs Fly Off the Shelves, Elton John Cools the Hype

By Jon Pareles
New York Times Service

NEW YORK — Will Elton John be the only media figure not to profit from the death of Diana, Princess of Wales? With "Candle in the Wind 1997," the song he sang at the funeral seen around the world, he is about to have an international hit, and he's trying hard to do all the right things.

There are millions of advance orders for the single, a studio version of the song, recorded the day of the funeral. It was released on Saturday in Britain and will be in stores in the United States on Sept. 23. Radio stations have already been playing the song, either in the live-at-the-funeral version or a satellite-transmitted copy of the studio recording. [Reuters reported that John's tribute song to Princess Diana sold more than 600,000 copies in Britain on the day it was released, according to a record company spokesman.]

The song itself, which set people crying inside and outside Westminster Abbey, makes cunning use of pop's collective memory. When Bernie Taupin wrote the lyrics that John set to music on the 1973 album "Goodbye Yellow Brick Road," the song was about Marilyn Monroe, who, like Diana, died while she was still young and glamorous. The original "Candle in the Wind" was simultaneously affectionate and bitter. It sympathizes with the star's loneliness; at the same time, it blames Hollywood star-making, the people who "crawled out of the woodwork" and the press for Monroe's pain. In the new version, the bile has disappeared. Taupin's revised lyrics are purely respectful, even reverent; the song links Diana's memory to the beloved English countryside and equates her with Britain's soul. As an exercise in verse, the new lyrics hold on to the old song's title and some of its word sounds while changing nearly everything else. "Never knowing who to cling to" has been replaced by "never fading with the sunset"; "loneliness" has turned into "loveliness."

Greg Bos/Reuters

Fans snapping up CDs of "Candle in the Wind."

Yet people have been hearing the original "Candle in the Wind" for 24 years; it's ingrained in anyone who regularly tunes in pop radio stations. And as with all rewritten songs, from comedy-troupe spoofs to hip-hop voice-overs, the new lyrics ricochet off memories of the old ones. Taupin and John have achieved the pop equivalent of a two-cushion billiards shot. They maintain their decorum, yet listeners understand that the new song links the princess and the movie actress. It implies that Diana will become an icon like Monroe, and without a word, it suggests that both women were destroyed by their stardom.

For John, the quandary is how not to appear as one more parasite. In the star system, death at an early age is a sadly potent marketing tool: from Johnny Ace to Otis Redding to Janis Joplin to Jim Croce to Kurt Cobain, fans have expressed their sorrow through buying songs as keepsakes.

The remade "Candle in the Wind" can't help but draw attention to John's new album, "The Big Picture," which had long been in the works for release on Sept. 23. He was revving up the standard publicity blitz for the album; the new "Candle" will share a disk with the album's first single, "Something About the Way You Look Tonight," a hymnlike love song that doesn't sound inappropriate to its new context.

In the United States, the promotion centers on the cable channel VH-1, where John is September's Artist of the Month (with his old video clips replayed continually) and the star of a live club performance (to be recorded this week in New Orleans and telecast on Friday). Now, he is in the odd position of trying not to capitalize on his best media exposure in at least a decade.

His is not the last tribute. Other British pop stars — including Paul McCartney, Sting and Peter Gabriel — are to record songs for an album to benefit the Diana, Princess of Wales, Memorial Fund, which is also where John's profits are going. With the cooperation of the major labels and under the direction of Richard Branson, the founder of Virgin and V2 Records, the album is to be released by its own recording company. From early reports, it is shaping up as a concept album about grief and death, to include Seal's "Prayer for the Dying," Phil Collins's "Since I Lost You" and Annie Lennox's "Angel." The Westminster Abbey choir, and probably an orchestra, are also participating.

From an American perspective, it is curious to see rock musicians, still tenuously connected to working-class and rebel traditions, lining up to commemorate a member of the British aristocracy, even one who embraced AIDS patients and lepers.

Other British all-star efforts — from George Harrison's "Bangladesh" to Bob Geldof's Ethiopian famine-relief single, "Do They Know It's Christmas?" — have addressed themselves to suffering masses in faraway places. But Diana's long role as a member of the royal family probably isn't what made the pop stars mobilize. It was, rather, the position they share as celebrities, in a media spotlight that they sometimes court and often resent. Mourning Diana, they also mourn their own private lives.

For his part, John seems to be doing all he can to separate his own career from what may turn out to be his most popular song. As with the tribute album, he has earmarked all the proceeds from "Candle in the Wind 1997" — not just his own royalties, as with most benefit singles, but the recording company's profits as well — to charity.

He has asked television stations to stop broadcasting the video of him performing the song at the funeral; instead, he will release a video clip without his image in it. In a further gesture of renunciation, he has stated that he does not intend to play the song again live "at this time." There will be no self-congratulatory arena sing-alongs, no separating the song from its occasion. Even if the song continues to be inescapable, John refuses to compound the hype.

PEOPLE

FOR the fourth consecutive year, "Frasier" won the best comedy Emmy, and "Law & Order" was a first-time winner as best drama, making NBC the top network at the 49th annual Emmy Awards. In the acting categories, three of the categories mirrored last year's winners: **Dennis Franz** of "NYPD Blue" as best actor in a drama, **Helen Hunt** of "Mad About You" as best actress in a comedy, and **John Lithgow** as best actor in a comedy for "3rd Rock From the Sun." The only newcomer in the top acting categories was **Gillian Anderson** as best actress in a drama, for "The X-Files."

Rose Prouser/Reuters

John Lithgow with his Emmy for best comedy actor.

□

Breaking with tradition, the Metropolitan Opera in New York has engaged **Valeri Gergiev**, director of the Maryinsky Theater in St. Petersburg, as its first principal guest conductor, advancing a growing partnership with his Kirov Opera and Ballet. The five-year appointment backs up the Met's longtime artistic director, **James Levine**, with a second regular conductor for the company to count on and plan productions around. "I'm adding, not subtracting," said **Joseph Volpe**, the Met's general manager. Levine hailed the arrangement, saying, "We have the most marvelous interaction." Except for a previous commitment in San Francisco next year, Gergiev will not conduct opera elsewhere in the United States, the Met said.

□

A court in Marseille has ruled that the organizer of a U2 concert in the Mediterranean port city must pay $34,000 to a man who doctors say lost his hearing at a 1993 performance by the Irish rock band. The court held that the promoter was responsible for the hearing loss even though the man sneaked around a security fence to get nearer the giant speakers. The decision did not identify the promoter or the 34-year-old victim, and court officials declined to release their names.

□

More than 1,200 guitarists played "Dirty Water" on the banks of the Charles River in Boston for 90 minutes but failed in an attempt to strum into the Guinness Book of World Records. Members of **The Cars**, **Boston** and other bands took the lead in an attempt to break the record for the most guitarists playing the same song for the longest time. But organizers fell short of the world record 1,322 guitarists who played "Takin' Care of Business" three years ago in Canada. A group of 1,555 guitarists played "Twist and Shout" in Nashville this summer, but that attempt is reportedly being questioned.

□

Back in his native land, violinist **Isaac Stern** performed over the weekend at the Moscow Conservatory. He played **Mozart** and **Bruch** concertos with the State Academic Philharmonic "with his usual radiance and virtuosity," the Itar-Tass news agency said. Stern, 77, was born in Russia but moved to the United States with his parents when he was 10 months old and is an American citizen. He last performed in Moscow in December 1991 in the final days before the Soviet Union's collapse.

□

The talk show queen **Oprah Winfrey** will rule over daytime television for several more seasons. Winfrey is committed to being host of "The Oprah Winfrey Show" through the 1999-2000 season, Harpo Productions announced.

I love 0-800-99-0011
in the springtime.

Every country has its own AT&T Access Number which makes calling home or to other countries really easy. Just dial the AT&T Access Number for the country you're calling from and you'll get the clearest connections home. And be sure to charge your calls on your AT&T Calling Card. It'll help you avoid outrageous phone charges on your hotel bill and save you beaucoup de francs (up to 60%*). Check the list for AT&T Access Numbers.

Steps to follow for easy calling worldwide:

1. Just dial the AT&T Access Number for the country you are calling from.
2. Dial the phone number you're calling.
3. Dial the calling card number listed above your name.

AT&T Access Numbers

EUROPE	
Austria●○	022-903-011
Belgium●	0-800-100-10
France	0-800-99-0011
Germany	0130-0010
Greece●	00-800-1311
Ireland□	1-800-550-000
Italy●	172-1011
Netherlands●	0800-022-9111
Russia●▲(Moscow)▶	755-5042
Spain	900-99-00-11
Sweden	020-795-611
Switzerland●	0800-89-0011
United Kingdom▲	0500-89-0011
	0800-89-0011
MIDDLE EAST	
Egypt●(Cairo)†	510-0200
Israel	177-100-2727
Saudi Arabia◇	1-800-10
AFRICA	
Ghana	0191
South Africa	0-800-99-0123

Can't find the Access Number for the country you're calling from? Just ask any operator for AT&T Direct℠ Service, or visit our Web site at: http://www.att.com/traveler

[illegible]

AT&T